



DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Parts 1 and 11

[Docket No. PTO-C-2013-0042]

RIN 0651-AC91

Changes to Representation of Others before the United States Patent and Trademark Office

AGENCY: United States Patent and Trademark Office, Department of Commerce.

ACTION: Notice of proposed rulemaking.

SUMMARY: The United States Patent and Trademark Office (USPTO or Office) proposes to amend the Rules of Practice in Patent Cases and the rules regarding Representation of Others before the United States Patent and Trademark Office. This rulemaking proposes to align the USPTO Rules of Professional Conduct more closely with the ABA Model Rules of Professional Conduct; to improve clarity in existing regulations to facilitate the public's compliance, including revising various deadlines, the procedures concerning the registration exam, provisions related to the revocation of an individual's registration or limited recognition in limited circumstances, and provisions for reinstatement; and to make non-substantive changes, increasing the readability of various provisions.

DATES: Written comments must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Comments should be sent by electronic mail message over the internet addressed to: AC91.Comments@uspto.gov. Comments may also be submitted by mail addressed to: Mail Stop OED-AC91, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, Virginia 22313-1450, marked to the attention of William R. Covey, Deputy General Counsel for Enrollment and Discipline and Director of the Office of Enrollment and Discipline.

Comments may also be sent via the Federal eRulemaking Portal. Visit the Federal eRulemaking Portal website (<https://www.regulations.gov>) for additional instructions on providing comments via the Federal eRulemaking Portal. All comments submitted directly to the USPTO or provided on the Federal eRulemaking Portal should include the docket number (PTO-C-2013-0042).

Although comments may be submitted by postal mail, the Office prefers to receive comments by email. The Office prefers comments to be submitted in plain text but also accepts comments submitted in searchable ADOBE® portable document format (“PDF”) or MICROSOFT WORD® format. Comments not submitted electronically should be submitted on paper in a format that accommodates digital scanning into ADOBE® PDF.

Comments will be made available for public inspection at the Office of Enrollment and Discipline, located on the eighth floor of the Madison West Building, 600 Dulany Street, Alexandria, Virginia. Comments also will be available for viewing on the Office’s internet website (<http://www.uspto.gov>) and on the Federal eRulemaking Portal. Because comments will be made available for public inspection, information that the submitter does not desire to make public, such as an address or phone number, should not be included.

FOR FURTHER INFORMATION CONTACT: William R. Covey, Deputy General Counsel for Enrollment and Discipline and Director of the Office of Enrollment and Discipline, by telephone at 571-272-4097.

SUPPLEMENTARY INFORMATION:

Purpose:

Section 2(b)(2)(D) of title 35 of the United States Code provides the USPTO with the authority to “establish regulations, not inconsistent with law, which ... may govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office.” Part 11 of title 37 of the Code of Federal Regulations contains those regulations that govern the representation of others before the USPTO, including regulations relating to recognition to practice before the USPTO, investigations and disciplinary proceedings, and the USPTO Rules of Professional Conduct. Part 1 of title 37 of the Code of Federal Regulations addresses the rules of practice in patent cases, and most relevantly fees in patent matters. This notice sets forth proposed amendments to parts 1 and 11 as discussed herein.

On April 3, 2013, the Office published a final rule that established the USPTO Rules of Professional Conduct, 37 CFR 11.101 *et seq.* The USPTO Rules of Professional Conduct are modeled after the American Bar Association (ABA) Model Rules of Professional Conduct. The USPTO Rules of Professional Conduct have not been substantively updated since 2013.

Harmonization with the ABA Model Rules of Professional Conduct

Due to the length of time since the USPTO last updated its regulations, the USPTO proposes to amend the USPTO Rules of Professional Conduct to align them with widely-adopted revisions to the ABA Model Rules of Professional Conduct. Section 11.106(b) of title 37 of the Code of

Federal Regulations would be amended to allow a practitioner to reveal information relating to the representation of a client in certain circumstances for the purpose of detecting and resolving conflicts of interest arising from the practitioner's change of employment or changes in the composition or ownership of a law firm. Section 11.106(d) would be amended to require a practitioner to make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client. Section 11.118 would be amended to clarify that a practitioner may not use information learned from a prospective client except as otherwise provided, regardless of whether the information was learned in a discussion. Section 11.702 would be amended to allow practitioners to post contact information such as a website or email address instead of an office address on marketing materials. Finally, § 11.703 would be amended to clarify that the limitations on solicitation apply to any person, without regard to whether the practitioner considers the targets of the solicitation to actually be prospective clients.

Simplification and Clarification of Rules and Processes

The USPTO also proposes to amend its regulations to facilitate compliance by the public. As discussed in greater detail in the section "Discussion of Specific Changes in this Proposed Rule," amendments are proposed to §§ 11.7, 11.9, 11.11, 11.51, 11.52, 11.53, 11.54, 11.55, 11.58, and 11.60 to enhance generally the clarity of these sections. Also, the reinstatement provisions in §§ 11.9(f) and 11.11(f) would be aligned for all registered practitioners and practitioners granted limited recognition under § 11.9(b). The periods of time in these sections would be either the same as or greater than the applicable periods previously provided under this part. As such, the new time periods would apply without regard to whether the relevant period began to run before or after the effective date of the final rule for this action.

In addition, the regulations would be amended to add provisions addressing the revocation of registration or limited recognition. To better protect the public, the USPTO proposes to create a process in § 11.11(g) by which an individual's registration or limited recognition may be revoked in limited circumstances. For example, if an applicant were to be granted status as a registered practitioner but were to be later discovered to have failed to disclose material information in his or her application, such as a conviction for a felony, the Director of the Office of Enrollment and Discipline (OED Director) would issue to that practitioner a notice to show cause why the practitioner's registration or recognition should not be revoked, and the practitioner would be provided an opportunity to respond. This would parallel the existing provisions in §§ 11.7(j), 11.11(b), 11.20(a)(4), and 11.60(e).

Finally, the USPTO proposes changes to improve the registration examination and application process. Applicants for the registration examination would be provided the opportunity to avoid having to reapply entirely by paying a new fee of \$115 for an extension of time in which to schedule and take the examination. This new fee would be implemented through revisions to §§ 1.21(a)(1), 11.7(b), and 11.9(e). This is expected to streamline the process and reduce expense to applicants while also conserving agency resources.

Other Minor Changes

Minor edits, discussed below, would also be made throughout the regulations. These include increasing structural parallelism between similar provisions, including between §§ 11.24 and 11.29; increasing the readability of provisions throughout, including §§ 11.7 and 11.9; and making corrections to spelling, grammar, and cross-references, harmonizing terminology, correcting syntax formats to comport with the *Federal Register* Document Drafting Handbook, and reorganizing paragraph structure. In sum, these amendments are aimed at benefitting

practitioners by clarifying and streamlining professional responsibility obligations and procedures.

Discussion of Specific Changes in this Proposed Rule

The USPTO proposes to eliminate the fee in § 1.21(a)(1)(ii)(B) for taking the registration examination at the USPTO's offices in Alexandria, Virginia. The USPTO no longer intends to administer the paper-based examination in its offices. The computer-based examination will continue to be offered at thousands of testing centers across the United States.

The USPTO proposes to amend §§ 1.21(a)(1), 11.7(b), and 11.9(e) to provide applicants for registration or limited recognition the ability to request extensions of time to schedule the registration exam for a fee. Currently, applicants are assigned a window of time in which to schedule and sit for the registration examination. Applicants who do not take the examination before the expiration of that window must reapply and again pay the application and test administration fees. The ability to request extensions of time will save those applicants who require more time to prepare for the examination or are unable to sit for the examination within the window from having to reapply and again pay the application and test administration fees. The proposed fee is significantly less than the existing application and examination fees that would be due from an applicant who failed to take the registration examination during the test window. The proposed fee would recover the estimated average cost to the Office of related processing, services, and materials. The authorization for this fee is 35 U.S.C. 41(d)(2)(A).

The USPTO proposes to amend § 1.21(a)(9) to provide a heading to clarify the nature of the fees listed thereunder. The proposed revision makes no change to the fees themselves.

The USPTO proposes to amend § 11.1 to clarify several definitions and to correct typographical errors. The terms “conviction” and “convicted” would be revised to correct the spelling of “*nolo contendere*.” The term “practitioner” would be revised to eliminate surplusage within the definition. The term “register” would be added alongside “roster” to clarify that both terms carry the same meaning. The term “serious crime” currently encompasses all felonies. However, not all states classify crimes as felonies and misdemeanors. To ensure consistent treatment among similarly situated practitioners, the definition would be revised to encompass any criminal offense punishable by death or imprisonment of more than one year. This revision would provide a clear and uniform rule in harmony with 18 U.S.C. 3559(a). The term “state” would be revised to reflect the correct capitalization of “commonwealth.”

The USPTO proposes to amend § 11.2(b)(2) to eliminate an unnecessary reference to § 11.7(b). This revision would result in no change in practice.

The USPTO proposes to amend § 11.2(b)(4) to clarify that the OED Director is authorized to conduct investigations of persons subject to the disciplinary jurisdiction of the Office. The amendments would also replace the term “accused practitioner” with “subject of the investigation.”

The USPTO proposes to amend § 11.4, currently reserved, to define how time shall be computed in part 11. The computational method aligns with that set forth in the Federal Rules of Civil Procedure.

The USPTO proposes to amend § 11.5(a) by adding a paragraph heading.

The USPTO proposes to amend § 11.5(b) to change the term “patent cases” to “patent matters”; amend § 11.5(b)(1) to change the term “other proceeding” to “other patent proceeding” to clarify

that this subparagraph refers only to patent proceedings; and clarify the definition of practice before the Office in trademark matters in § 11.5(b)(2). Section 11.5(b) continues to provide that nothing in § 11.5 prohibits a practitioner from employing or retaining a non-practitioner assistant under the supervision of the practitioner to assist in matters pending before, or contemplated to be presented to, the Office.

The USPTO proposes to amend § 11.7(b) to eliminate the requirement for applicants to refile previously submitted documentation after one year. The provisions regarding retaking the examination would be moved from subparagraph (b)(1)(ii) to (b)(2). A limitation of five attempts to pass the examination for registration would be added to subparagraph (b)(2) to maintain the integrity of the examination. This would not prevent an applicant from petitioning for subsequent attempts under § 11.2(c). The provisions regarding denial of admission to the examination and notices of incompleteness would be moved from (b)(2) to (b)(3), which is currently reserved.

The USPTO proposes to amend § 11.7(d)(3)(i)(B) to change the term “patent cases” to “patent matters.”

The USPTO proposes to remove the ultimate sentence of § 11.7(e) to eliminate conflict with proposed § 11.7(b)(2).

The USPTO proposes to amend § 11.7(g)(1) and (g)(2)(ii) to clarify that OED may accept a state bar’s determination of character and reputation as opposed to simply character. The amendment also corrects an internal citation and updates a reference to requests for information and evidence in enrollment matters.

The USPTO proposes to amend § 11.7 by adding a new paragraph (l) that would clarify that a registered patent agent who becomes an attorney may be registered as a patent attorney upon paying the required fee and meeting any additional requirements.

The USPTO proposes to amend § 11.9(a) to improve clarity and § 11.9(b) to update a cross-reference. The revisions would make no change in practice.

The USPTO proposes to amend § 11.9 by mirroring where possible the provisions of § 11.7(a) and (b) in new paragraphs (d) and (e) of § 11.9. This is intended to improve the readability of the application process as it applies to those seeking limited recognition under § 11.9(b), and it would make no change in practice.

The USPTO proposes to amend § 11.9 by adding a new paragraph (f) to clarify the documentation required to obtain reinstatement of limited recognition. This proposed revision generally restates the practice currently set forth in § 11.7(b) and clarifies that individuals must provide objective evidence that they continue to possess the necessary legal qualifications if their limited recognition has been expired for five years or longer at the time of application for reinstatement. Retaking and passing the registration examination would be one way to establish such objective evidence.

The USPTO proposes to amend § 11.10(a) to clarify that only authorized practitioners may represent others before the Office in patent matters. This clarification is not intended to affect the rules governing practice before the Patent Trial and Appeal Board in parts 41 and 42 of this chapter.

The USPTO proposes to delete § 11.10(b)(3), (b)(4), (c), (d), and (e), which addressed terms in 18 U.S.C. 207, a criminal statute. No change in practice is intended by these deletions, as these provisions were unnecessary.

The USPTO proposes to amend § 11.11(b) to change the term “patent cases” to “patent matters”, to clarify the nature of the notice called for in paragraph (b)(1), and improve syntax.

The USPTO proposes to amend § 11.11(b)(3) to clarify that the OED Director may withdraw a notice to show cause where the practitioner who is subject to such notice has satisfied the notice’s requirements prior to the USPTO Director making a decision on such notice.

The USPTO proposes to amend § 11.11 by adding a new subparagraph (b)(7) to clarify that administratively suspended practitioners must apply for reinstatement under paragraph (f)(1) in order to be reinstated.

The USPTO proposes to amend § 11.11(c) to simplify the process for requesting reactivation and to replace the term “roster” with the term “register”.

The USPTO proposes to amend § 11.11(e)(1) to clarify the eligibility requirements for practitioners who request to resign. These revisions would make no substantive change.

The USPTO proposes to amend § 11.11(f)(2) to improve clarity and harmonize the requirements for reactivation with the requirements for reinstatement following administrative suspension. Specifically, individuals who have been administratively inactive for five or more years subsequent to separation from the Office or cessation of employment in a judicial capacity will be required to submit objective evidence that they continue to possess the necessary legal

qualifications. Retaking and passing the registration examination would be one way to establish such objective evidence.

The USPTO proposes to amend § 11.11 by adding a new paragraph (g) to allow administrative revocation of registration or limited recognition, based on mistake, materially false information, or the omission of material information. Registration or limited recognition would only be revoked after the issuance of a notice to show cause and an opportunity to respond. This would parallel the existing provisions in §§ 11.7(j), 11.11(b), 11.20(a)(4), and 11.60(e).

The USPTO proposes to amend § 11.18(c)(2) to set forth the correct title of the Director of the Office of Enrollment and Discipline.

The USPTO proposes to amend § 11.19(a) to change “patent cases” to “patent matters” and to clarify that a non-practitioner is subject to the USPTO’s disciplinary authority if the person engages in or offers to engage in practice before the Office without proper authority. The phrase “including by the USPTO Director,” which modifies various types of public discipline, would be deleted as surplusage. The USPTO Director’s authority to administer discipline or transfer a practitioner to disability inactive status is firmly established. Thus, the inclusion of this phrase is unnecessary.

The USPTO proposes to amend § 11.19(b)(1)(ii) to include discipline on professional misconduct grounds alongside discipline on ethical grounds. The inclusion of both is aimed at making clear that discipline for professional misconduct also constitutes grounds for discipline. This would result in no change in practice.

The USPTO proposes to amend § 11.19(c) to properly cite a subpart of part 11.

The USPTO proposes to amend § 11.19 by adding a new paragraph (e). This provision would make clear that the OED Director may select any disciplinary procedure or procedures that are appropriate to the situation at hand. For example, the OED Director is authorized in appropriate circumstances to pursue reciprocal discipline under § 11.24, while also instituting a disciplinary proceeding under § 11.32.

The USPTO proposes to simplify § 11.20(a)(4) to provide that the conditions of probation shall be stated in the order imposing probation.

The USPTO proposes to amend § 11.20(c) to improve syntax and to clarify that this provision merely describes the process set forth in § 11.29 for transferring to disability inactive status.

The USPTO proposes to amend § 11.21 to remove the adjective “brief” that modifies the phrase “statement of facts.” The length of a statement of facts depends on the complexity of the matter and the issues presented. This revision would allow a level of detail in a statement of facts appropriate to the particular matter.

The USPTO proposes to amend § 11.22(c), currently reserved, to require a practitioner to notify the OED Director of the practitioner becoming publicly disciplined, disqualified from practice, transferred to disability status, or convicted of a crime, within 30 days of such occurrence as already required in §§ 11.24, 11.25, or 11.29. This revision would also clarify that a certified copy of the record or order regarding the discipline, disqualification, conviction, or transfer to disability status is clear and convincing evidence of such event.

The USPTO proposes to amend § 11.22(g) to correct erroneous citations to § 11.22(b)(1) and (b)(2). The correct citations are § 11.23(b)(1) and (b)(2).

The USPTO proposes to amend § 11.22(h) to clarify that the list of actions that the OED Director may take upon the conclusion of an investigation is not necessarily limited to the four actions enumerated therein.

The USPTO proposes to amend § 11.24(a) to provide that a certified copy of the record or order regarding public discipline in another jurisdiction shall establish a prima facie case by clear and convincing evidence that a practitioner has, in fact, been publicly disciplined by that jurisdiction. In addition, the provision would be amended to clarify that the OED Director is permitted to exercise discretion in whether to pursue reciprocal discipline in any given matter.

The USPTO proposes to amend § 11.24(b) to enhance readability. No change in practice is intended.

The USPTO proposes to amend § 11.24(d)(1) to clarify the USPTO Director's prerogative to order a disciplinary record be supplemented with further information or argument.

The USPTO proposes to amend § 11.24(e) to clarify that a final adjudication in another jurisdiction that a practitioner has committed ethical misconduct, regardless of the evidentiary standard applied, shall establish a prima facie case that the practitioner has engaged in misconduct under § 11.804(h). This change would not affect the availability of the defenses specified in § 11.24(d)(1).

The USPTO proposes to amend § 11.25(a) to remove the requirement to self-report certain traffic violations where the sole punishment adjudicated is a fine of \$300.00 or less. The provision would also be amended to clarify that the OED Director is permitted to exercise discretion in whether to pursue discipline in any given matter under this section.

The USPTO proposes to amend § 11.25(b)(3) to clarify that the USPTO Director may order that a disciplinary record be supplemented with further information or argument.

The USPTO proposes to amend § 11.25(e)(2) to allow practitioners who are disciplined by the USPTO upon conviction of a serious crime to apply for reinstatement immediately upon completing their sentence, probation, or parole, whichever is later, provided they are otherwise eligible for reinstatement. Under the current rule, a practitioner must wait at least five years after the last of these events before he or she is eligible to apply for reinstatement.

The USPTO proposes to amend § 11.26 to clarify that evidence, other than offers of compromise and statements about settlement made during a settlement conference, may not be excluded merely because the evidence was discussed or otherwise presented in a settlement conference. Such evidence may be excludable for other evidentiary reasons. The provision would also be amended to further clarify that settlement conferences may occur at any time after an investigation is commenced.

The USPTO proposes to amend § 11.27(b) and (c) to clarify procedures for exclusion on consent. Specifically, the revision would allow the OED Director to file a response to a § 11.27(a) affidavit. Nothing herein is intended to alter the requirements under § 11.27(a), including but not limited to the § 11.27(a)(2) requirement that the statement of the nature of the pending investigation or pending proceeding shall be specifically set forth in the affidavit to the satisfaction of the OED Director. The revision would also remove and reserve § 11.27(c), in light of the provisions of revised § 11.26.

The USPTO proposes to amend § 11.28(a) to replace the term “patent cases” with “patent matters”, clarify the requirements for moving to hold a proceeding in abeyance, remove the

requirement that such motion be made prior to a disciplinary hearing, and update cross-references.

The USPTO proposes to amend § 11.29(a) to clarify that the OED Director possesses discretion as to whether to request that a practitioner be transferred to disciplinary inactive status.

The USPTO proposes to amend § 11.29(b) to incorporate the “clear and convincing” burden of proof currently set forth in § 11.29(d) that a practitioner must satisfy to avoid a reciprocal transfer to disability inactive status. The USPTO also proposes enlarging the period of time to 40 days (instead of 30 days) for a practitioner to respond to the OED Director’s request to transfer the practitioner to disability inactive status.

The USPTO proposes to amend § 11.29(d) by revising the heading of the paragraph. The provision would also be reorganized and amended to clarify the USPTO Director’s prerogative to order that the record be supplemented with further information or argument. The proposed revisions to § 11.29(b) and (d) would parallel the organizational structure of § 11.24.

The USPTO proposes to amend § 11.29(g) by clarifying that a practitioner in disability inactive status must comply with §§ 11.29 and 11.58, and not merely § 11.58. This revision would make no change in practice and would align with the provisions of revised § 11.58.

The USPTO proposes to amend § 11.29(i) by updating cross-references. The revisions would make no change in practice.

The USPTO proposes to amend § 11.34(c) to expressly allow a complaint to be filed in a disciplinary proceeding by delivering, mailing, or electronically transmitting the document to a hearing officer.

The USPTO proposes to amend § 11.35(a) to make minor corrections to syntax.

The USPTO proposes to amend § 11.35(c) to state that a complaint in a disciplinary matter may be served on the respondent's attorney in lieu of the respondent, if the respondent is known to the OED Director to be represented by an attorney under § 11.40(a). This revision would permit the OED Director to serve the respondent, respondent's attorney, or both.

The USPTO proposes to amend § 11.39(a) to clarify the process by which hearing officers are designated in disciplinary proceedings. This proposed amendment would continue the practice of designating administrative law judges to serve as hearing officers.

The USPTO proposes to amend § 11.39(b) to clarify that administrative law judges appointed in accordance with 5 U.S.C. 3105 may be designated as hearing officers.

The USPTO proposes to amend 11.39(f) to correct a cross-reference.

The USPTO proposes to amend § 11.40 by dividing the current paragraph (b) into two paragraphs to facilitate ease in reading. In all other respects, the provision would remain unchanged.

The USPTO proposes to amend § 11.41(a) to expressly provide that papers may be filed by delivering, mailing, or electronically transmitting such documents to a hearing officer.

The USPTO proposes to amend § 11.43 by changing the heading to clarify that the provision applies only to motions before a hearing officer and not to those before the USPTO Director. The USPTO also proposes to amend the section to require motions to be accompanied by written memoranda setting forth a concise statement of the facts and supporting reasons, along with a citation of the authorities upon which the movant relies. The proposed revisions would also

require responses to motions be filed within 14 days and served on the opposing party, and reply memoranda served within 7 days after service of the opposing party's response. The proposed revisions would also require the format of memoranda to be double-spaced and printed in 12-point font, unless otherwise ordered by the hearing officer.

The USPTO proposes to amend § 11.44(a) to allow scheduling of a hearing only on a date after the time for filing an answer has elapsed.

The USPTO proposes to amend § 11.44(b) to clarify the sanctions a hearing officer may impose for failure to appear at a disciplinary hearing.

The USPTO proposes to amend § 11.50 to clarify the existing practice of prohibiting the admission of speculative evidence.

The USPTO proposes to amend § 11.51(a) by revising it and dividing it into a new § 11.51(a)-(g).

The revisions would provide clarity and confirm the existing regulatory requirement that if a respondent demands testimony or the production of documents from a USPTO employee, the respondent must comply with part 104 of this chapter. The rule would also make clear that a deposition may be videotaped if desired. The term "deposition expenses" would replace the phrase "expenses for a court reporter and preparing, serving, and filing depositions". Deposition expenses may include, but are not limited to, fees for court reporters, videographers, transcripts, and room rentals; witness appearance and travel; service of process; and costs for preparing, serving, and filing depositions. This revision would not affect those expenses that are recoverable under § 11.60(d)(2).

The USPTO proposes to amend § 11.51(b) by redesignating it as § 11.51(h). The revisions to this paragraph would make no change to existing practice.

The USPTO proposes to amend § 11.52 by reorganizing the section to improve clarity. The revisions would limit the scope of written discovery to relevant evidence only, as opposed to evidence that may be reasonably calculated to lead to the discovery of admissible evidence. The revisions would also provide that requests for admission may be used to admit the genuineness of documents and provide consequences for the failure to respond to requests for admission. Finally, the revisions would expand the scope of information that parties must provide regarding expert witnesses to include a complete statement of all opinions to which the expert is expected to testify, the basis and reasons therefor, and a description of all facts or data considered by the expert in forming the opinions.

The USPTO proposes to amend § 11.53 to specify the timing and other requirements of post-hearing memoranda, unless otherwise ordered by the hearing officer. The rule would also allow the hearing officer to enlarge the time permitted for filing post-hearing memoranda and to increase page limits upon a showing of good cause.

The USPTO proposes to amend § 11.54 to require a hearing officer to transmit the record of the proceeding to the OED Director within 14 days of the date of the initial decision or as soon as practicable. The USPTO proposes to amend § 11.54(a)(1) by requiring an initial decision to make “specific” references to the record instead of “appropriate” references to the record. The provision currently located in § 11.54(a)(2) that describes the process that the hearing officer shall take with respect to the transmission of the decision and the record would be moved to § 11.54(c). It would also be revised to require the hearing officer to forward to the OED Director the record of proceedings within 14 days, or as soon as practicable, after the date of the initial decision. In addition, the provision currently located in § 11.54(a)(2) that discusses the point in time at which the decision of the hearing officer becomes the decision of the USPTO Director

would be moved to § 11.54(d). This section would also be amended to remove an unnecessary reference to default judgments. Thus, any decision of a hearing officer, if not appealed, would become final without regard to whether the decision results from default.

The USPTO proposes to amend § 11.55 to more closely align the language with changes to the Federal Rules of Appellate Procedure and provide clarity as to the responsibilities of parties during appeals to the USPTO Director. The revisions would establish a procedure for filing notices of appeal and provide briefing timelines. Currently, the rule allows an appellant 30 days to file a brief. The revisions would allow 14 days in which to file a notice of appeal and 45 days thereafter in which to file the appellate brief. The revisions would also remove current paragraph (i), which is duplicative of a similar provision in § 11.54. Finally, the revisions would add a new paragraph (o) that would govern motions practice before the USPTO Director. The procedures in new paragraph (o) would generally parallel those in § 11.43.

The USPTO proposes to amend § 11.56(c) to allow a party to file a response to a request for reconsideration within 14 days after such request is made. The revision would explicitly require that such request be based on newly discovered evidence or clear error of law or fact.

The USPTO proposes to amend § 11.57 by reorganizing the provision and revising it to conform with Local Civil Rule 83.5 of the Local Rules for the U.S. District Court for the Eastern District of Virginia (<http://www.vaed.uscourts.gov/localrules/LocalRulesEDVA.pdf>). More specifically, § 11.57(a) would be revised to require that any petition for review of a final decision of the USPTO Director must be filed within 30 days after the date of the final decision.

The USPTO proposes to amend § 11.58 by revising, subdividing, and renumbering the provisions describing the duties of disciplined practitioners or practitioners on disability inactive status. The

proposed revisions are made with an eye toward simplifying the rule so that disciplined practitioners may more easily comply with its provisions. Where the practitioner believes compliance with the rule would be unduly cumbersome, a practitioner would be permitted to petition for relief. The revised rule would continue to allow a suspended or excluded practitioner to act as a paralegal provided certain conditions are met, such as serving under the supervision of a practitioner as defined in part 11. The revisions would permit, rather than require, the USPTO Director to grant a period of limited recognition to allow a disciplined practitioner to wind up his or her practice. The proposed revisions to § 11.58 would in no way limit the OED Director's ability to take action for violations of the rule. For example, the OED Director is still authorized to take action against a practitioner for violating the terms of disciplinary probation or to seek exclusion or an additional suspension for practitioners who violate disciplinary rules while excluded, suspended, or in disability inactive status. Finally, the proposed revisions would strike references to resigned practitioners. Obligations relating to resigned practitioners would be consolidated in § 11.11(e).

The USPTO proposes to amend § 11.60 to remove references to resigned status. Procedures for resignation and reinstatement from a resigned status would be consolidated in § 11.11. For this reason, the USPTO proposes to amend § 11.60(b) and (c) to eliminate references to reinstatement and § 11.58 compliance requirements for resigned practitioners. The USPTO also proposes to amend the heading of § 11.60 to explicitly reflect that it applies only to disciplined practitioners.

The USPTO proposes to re-designate the current § 11.60(f) as § 11.60(g) and amend the paragraph by inserting a new provision that would clarify that a final decision by the OED Director denying reinstatement to a practitioner is not a final agency action. A suspended or excluded party dissatisfied with the decision of the OED Director regarding his or her

reinstatement may seek review of the decision by petitioning the USPTO Director in accordance with § 11.2(d).

The USPTO proposes to re-designate the current § 11.60(g) as § 11.60(h) and amend the paragraph to allow a notice of a practitioner's intent to seek reinstatement to be published prior to the expiration date of the suspension or exclusion. The purpose of this revision is to speed the processing of petitions for reinstatement while still providing the requisite public notice.

The USPTO proposes to amend § 11.106(b) to allow a practitioner to reveal information relating to the representation of a client to detect and resolve conflicts of interest arising from the practitioner's change of employment or from changes in the composition or ownership of a law firm, but only if the revealed information would not compromise the attorney-client privilege or otherwise prejudice the client. This amendment would cause this provision to more closely align with the 2012 amendments to ABA Model Rule 1.6.

The USPTO proposes to amend § 11.106 by adding a new paragraph (d) that would require a practitioner to make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client. This amendment would cause this provision to more closely align with the 2012 amendments to ABA Model Rule 1.6.

The USPTO proposes to amend § 11.118 to clarify that a practitioner may not use information learned from a prospective client except as otherwise provided, regardless of whether the information was learned in a discussion. This amendment would cause this provision to more closely align with the 2012 amendments to ABA Model Rule 1.18.

The USPTO proposes to amend § 11.702 to establish standards that, if met, would qualify practitioners to state they are a certified specialist in a particular field of law. This amendment would cause this provision to more closely align with the 2012 amendments to ABA Model Rule 7.2.

The USPTO proposes to amend § 11.703 to clarify that the limitations on solicitation apply to any person without regard to whether the practitioner considers the targets of the solicitation to actually be prospective clients. This amendment would cause this provision to more closely align with the 2012 amendments to ABA Model Rule 7.3.

The USPTO proposes to amend § 11.704(e) to clarify that individuals granted limited recognition under § 11.9 may not use the designation “registered.”

The USPTO proposes to amend § 11.804(b) to clarify that being convicted of a qualifying crime is a form of misconduct.

The USPTO proposes to amend § 11.804(h) to provide that it is misconduct to be publicly disciplined on ethical or professional misconduct grounds by a country having disciplinary jurisdiction over the practitioner.

Rulemaking Requirements

A. Administrative Procedure Act: The changes in this rulemaking involve rules of agency practice and procedure and/or interpretive rules (*see Perez v. Mortgage Bankers Ass’n*, 135 S. Ct. 1199, 1204 (2015) (Interpretive rules “advise the public of the agency’s construction of the statutes and rules which it administers.”) (citations and internal quotation marks omitted); *Nat’l Org. of Veterans’ Advocates v. Sec’y of Veterans Affairs*, 260 F.3d 1365, 1375 (Fed. Cir. 2001) (Rule that clarifies interpretation of a statute is interpretive.); *Bachow Commc’ns Inc. v. FCC*,

237 F.3d 683, 690 (D.C. Cir. 2001) (Rules governing an application process are procedural under the Administrative Procedure Act.); *Inova Alexandria Hosp. v. Shalala*, 244 F.3d 342, 350 (4th Cir. 2001) (Rules for handling appeals are procedural where they do not change the substantive standard for reviewing claims.)).

Accordingly, prior notice and opportunity for public comment for the changes in this rulemaking are not required pursuant to 5 U.S.C. 553(b) or (c) or any other law (*see Perez*, 135 S. Ct. at 1206 (Notice-and-comment procedures are not required when an agency “issue[s] an initial interpretive rule” or when it amends or repeals that interpretive rule.); and *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336-37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), do not require notice-and-comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice,” quoting 5 U.S.C. 553(b)(A))). Nevertheless, the USPTO has chosen to seek public comment before implementing the rule to benefit from the public’s input.

B. Regulatory Flexibility Act: For the reasons set forth herein, the Senior Counsel for Regulatory and Legislative Affairs, Office of General Law, of the USPTO has certified to the Chief Counsel for Advocacy of the Small Business Administration that the changes proposed in this rule will not have a significant economic impact on a substantial number of small entities (*see* 5 U.S.C. 605(b)).

The changes in this notice of proposed rulemaking fall into one of three categories: (1) harmonization of the USPTO Rules of Professional Conduct with the ABA Model Rules of Professional Conduct; (2) changes to the rules governing the recognition to practice before the Office to implement new requirements and simplify and otherwise improve consistency with

existing requirements to facilitate the public's compliance with existing regulations, including revisions to timeframes, procedures concerning the registration exam, provisions related to the revocation of an individual's registration or limited recognition in limited circumstances, and provisions for reinstatement; and (3) non-substantive changes, such as increased structural parallelism between similar provisions; increased readability of provisions; corrections to spelling, grammar, and cross-references; harmonization of terminology; correction of syntax formats to comport with the *Federal Register* Document Drafting Handbook; and reorganization of paragraph structure within particular rules and other changes to improve clarity in the regulations.

This proposed rule would apply to the approximately 47,000 registered patent practitioners currently appearing before the Office, as well as licensed attorneys practicing in trademark and other non-patent matters before the Office. The USPTO does not collect or maintain statistics on the size status of impacted entities, which would be required to determine the number of small entities that would be affected by the proposed rule. However, a large number of the changes proposed in this rule are not expected to have any impact on affected entities. For example, correction of spelling and grammar, harmonization of terminology, correction of syntax formats, and reorganization of paragraph structures are administrative in nature and would have no impact on affected entities.

The USPTO also proposes to make changes to the rules governing the recognition to practice before the Office and to certain rules governing the process of investigations and conduct of disciplinary proceedings to clarify existing policy and practice and to update the USPTO Rules of Professional Conduct to reflect widely-adopted changes to the ABA Model Rules of Professional Conduct. These revisions impact rules of procedure and are not expected to

substantively impact parties. The intent of these changes is to make the USPTO regulations more clear and to streamline procedural requirements. Where the proposed rulemaking arguably increases regulatory burden, such burdens are minimal and outweighed by the benefits they would provide.

This proposed rule would also provide applicants for registration or limited recognition the ability to request extensions of time to schedule the registration exam for a fee. The proposed new fee of \$115 would recover the estimated average cost to the Office of related processing, services, and materials. The USPTO expects that this increased scheduling flexibility will save those applicants who would have otherwise missed the window in which to sit for the registration examination the time and expense of having to reapply to take the examination. The cost of reapplying for the examination is currently \$300, exclusive of any nonrefundable fees paid to the commercial testing service that administers the examination. The USPTO estimates that this new regulatory flexibility will save the public at least \$92,500. The authorization for this fee is 35 U.S.C. 41(d)(2)(A).

In sum, any requirements resulting from these proposed changes are of minimal or no additional burden to those practicing before the Office. For these reasons, this rulemaking will not have a significant economic impact on a substantial number of small entities.

C. Executive Order 12866 (Regulatory Planning and Review): This rulemaking has been determined to be not significant for purposes of E.O. 12866 (Sept. 30, 1993).

D. Executive Order 13563 (Improving Regulation and Regulatory Review): The Office has complied with E.O. 13563 (Jan. 18, 2011). Specifically, the Office has, to the extent feasible and applicable: (1) made a reasoned determination that the benefits justify the costs of the rule; (2)

tailored the rule to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector, and the public as a whole, and provided online access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

E. Executive Order 13771 (Reducing Regulation and Controlling Regulatory Costs): This proposed rule is not an E.O. 13771 (Jan. 30, 2017) regulatory action because this proposed rule is not significant under E.O. 12866 (Sept. 30, 1993).

F. Executive Order 13132 (Federalism): This rulemaking does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under E.O. 13132 (Aug. 4, 1999).

G. Executive Order 13175 (Tribal Consultation): This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under E.O. 13175 (Nov. 6, 2000).

H. Executive Order 13211 (Energy Effects): This rulemaking is not a significant energy action under E.O. 13211 because this rulemaking is not likely to have a significant adverse effect on the

supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under E.O. 13211 (May 18, 2001).

I. Executive Order 12988 (Civil Justice Reform): This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of E.O. 12988 (Feb. 5, 1996).

J. Executive Order 13045 (Protection of Children): This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under E.O. 13045 (Apr. 21, 1997).

K. Executive Order 12630 (Taking of Private Property): This rulemaking will not effect a taking of private property or otherwise have taking implications under E.O. 12630 (Mar. 15, 1988).

L. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*), prior to issuing any final rule, the United States Patent and Trademark Office will submit a report containing the final rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this rulemaking are not expected to result in an annual effect on the economy of \$100 million or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this rulemaking is not expected to be considered “major rule” as defined in 5 U.S.C. 804(2).

M. Unfunded Mandates Reform Act of 1995: The changes in this rulemaking do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of \$100 million (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of \$100 million (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995 (*see* 2 U.S.C. 1501 *et seq.*).

N. National Environmental Policy Act: This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969 (*see* 42 U.S.C. 4321 *et seq.*).

O. National Technology Transfer and Advancement Act: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions that involve the use of technical standards.

P. Paperwork Reduction Act: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) requires that the Office consider the impact of paperwork and other information collection burdens imposed on the public. This rulemaking involves information collection requirements that are subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act. The collections of information involved in this rulemaking have been reviewed and previously approved by OMB under OMB control numbers 0651-0012 (Admission to Practice and Roster of Registered Patent Attorneys and Agents Admitted to Practice before the USPTO) and 0651-0017 (Practitioner Conduct and Discipline). In addition,

modifications to 0651-0012 because of this rulemaking will be submitted to OMB for approval prior to this rule becoming effective. The proposed modifications include updating the process under 37 CFR 11.7 and 11.9 for the Form PTO-158 Application for Registration to Practice before the USPTO, to include the option for applicants to extend their time window to schedule their registration examination, therefore reducing the number of applicants who would need to reapply because they did not take the examination in time. The USPTO estimates that the number of Applications for Registration to Practice before the USPTO would decrease by 500 responses due to applicants obtaining an extension rather than reapplying for their registration. Another proposed modification is the removal of USPTO-based testing services.

Notwithstanding any other provision of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information has a currently valid OMB control number.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Biologics, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

37 CFR Part 11

Administrative practice and procedure, Inventions and patents, Lawyers, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the United States Patent and Trademark Office proposes to amend parts 1 and 11 of title 37 of the CFR as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority section for part 1 continues to read as follows:

Authority: 35 U.S.C. 2(b)(2), unless otherwise noted.

2. Amend § 1.21 by removing and reserving paragraph (a)(1)(ii)(B), adding paragraph (a)(1)(iv), and adding introductory text to paragraph (a)(9) to read as follows:

§ 1.21 Miscellaneous fees and charges.

* * * * *

(a) * * *

(1) * * *

(ii) * * *

(B) [Reserved]

* * * * *

(iv) Request for extension of time in which to schedule examination for registration to practice (non-refundable): \$115.00.

* * * * *

(9) Administrative reinstatement fees:

* * * * *

**PART 11—REPRESENTATION OF OTHERS BEFORE THE UNITED STATES
PATENT AND TRADEMARK OFFICE**

3. The authority citation for part 11 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 2(b)(2), 32, 41; sec. 1, Pub. L. 113-227, 128 Stat. 2114.

4. Amend § 11.1 by revising the definitions of “conviction or convicted,” “practitioner,” “roster,” “serious crime,” and “state” to read as follows:

§ 11.1 Definitions.

* * * * *

Conviction or convicted means any confession to a crime; a verdict or judgment finding a person guilty of a crime; any entered plea, including *nolo contendere* or Alford plea, to a crime; or receipt of deferred adjudication (whether judgment or sentence has been entered or not) for an accused or pled crime.

* * * * *

Practitioner means:

- (1) An attorney or agent registered to practice before the Office in patent matters;
- (2) An individual authorized under 5 U.S.C. 500(b), or otherwise as provided by § 11.14(a); (b), and (c), to practice before the Office in trademark matters or other non-patent matters;
- (3) An individual authorized to practice before the Office in patent matters under § 11.9(a) or (b); or
- (4) An individual authorized to practice before the Office under § 11.16(d).

* * * * *

Roster or *register* means a list of individuals who have been registered as either a patent attorney or patent agent.

* * * * *

Serious crime means:

(1) Any criminal offense classified as a felony under the laws of the United States, any state or any foreign country where the crime occurred, or any criminal offense punishable by death or imprisonment of more than one year; or

(2) Any crime a necessary element of which, as determined by the statutory or common law definition of such crime in the jurisdiction where the crime occurred, includes interference with the administration of justice, false swearing, misrepresentation, fraud, willful failure to file income tax returns, deceit, bribery, extortion, misappropriation, theft, or an attempt or a conspiracy or solicitation of another to commit a “serious crime.”

* * * * *

State means any of the 50 states of the United States of America, the District of Columbia, and any commonwealth or territory of the United States of America.

* * * * *

5. Amend § 11.2 by revising paragraphs (b)(2) and (4) to read as follows:

§ 11.2 Director of the Office of Enrollment and Discipline.

* * * * *

(b) * * *

(2) Receive and act upon applications for registration, prepare and grade the registration examination, maintain the register provided for in § 11.5, and perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary.

* * * * *

(4) Conduct investigations of matters involving possible grounds for discipline. Except in matters meriting summary dismissal, no disposition under § 11.22(h) shall be recommended or undertaken by the OED Director until the subject of the investigation has been afforded an opportunity to respond to a reasonable inquiry by the OED Director.

* * * * *

6. Add § 11.4 to subpart A to read as follows:

§ 11.4 Computing time.

Computing time. The following rules apply in computing any time period specified in this part where the period is stated in days or a longer unit of time:

- (a) Exclude the day of the event that triggers the period;
- (b) Count every day, including intermediate Saturdays, Sundays, and legal holidays; and
- (c) Include the last day of the period, but if the last day is a Saturday, Sunday, or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday.

7. Amend § 11.5 by revising paragraphs (a), the introductory text to (b)(1), and (b)(2) to read as follows:

§ 11.5 Register of attorneys and agents in patent matters; practice before the Office.

(a) *Register of attorneys and agents.* A register of attorneys and agents is kept in the Office on which are entered the names of all individuals recognized as entitled to represent applicants having prospective or immediate business before the Office in the preparation and prosecution of patent applications. Registration in the Office under the provisions of this part shall entitle the individuals so registered to practice before the Office only in patent matters.

(b) * * *

(1) *Practice before the Office in patent matters.* Practice before the Office in patent matters includes, but is not limited to, preparing or prosecuting any patent application; consulting with or giving advice to a client in contemplation of filing a patent application or other document with the Office; drafting the specification or claims of a patent application; drafting an amendment or reply to a communication from the Office that may require written argument to establish the patentability of a claimed invention; drafting a reply to a communication from the Office regarding a patent application; and drafting a communication for a public use, interference, reexamination proceeding, petition, appeal to or any other proceeding before the Patent Trial and Appeal Board, or other patent proceeding. Registration to practice before the Office in patent matters authorizes the performance of those services that are reasonably necessary and incident to the preparation and prosecution of patent applications or other proceeding before the Office involving a patent application or patent in which the practitioner is authorized to participate. The services include:

* * * * *

(2) *Practice before the Office in trademark matters.* Practice before the Office in trademark matters includes, but is not limited to, consulting with or giving advice to a client in contemplation of filing a trademark application or other document with the Office; preparing or prosecuting an application for trademark registration; preparing an amendment that may require written argument to establish the registrability of the mark; preparing or prosecuting a document for maintaining, correcting, amending, canceling, surrendering, or otherwise affecting a registration; and conducting an opposition, cancellation, or concurrent use proceeding; or conducting an appeal to the Trademark Trial and Appeal Board.

8. Amend § 11.7 by revising paragraphs (b)(1)(i)(B) and (b)(2) and (3); adding paragraph (b)(4); revising paragraphs (d)(3), (e), (f), (g)(1), and (g)(2)(ii); and adding paragraph (l) to read as follows:

§ 11.7 Requirements for registration.

* * * * *

(b)(1) * * *

(i) * * *

(B) Payment of the fees required by § 1.21(a)(1) of this chapter;

* * * * *

(2) An individual failing the examination may, upon receipt of notice of failure from OED, reapply for admission to the examination. An individual failing the examination for the first or second time must wait 30 days after the date the individual last took the examination before retaking the examination. An individual failing the examination for the third or fourth time must wait 90 days after the date the individual last took the examination before retaking the

examination. An individual may not take the examination more than five times. However, upon petition under § 11.2(c), the OED Director may, at his or her discretion, waive this limitation upon such conditions as the OED Director may prescribe. An individual reapplying shall:

- (i) File a completed application for registration form including all requested information and supporting documents not previously provided to OED,
- (ii) Pay the fees required by § 1.21(a)(1) of this chapter,
- (iii) For aliens, provide proof that registration is not inconsistent with the terms of their visa or entry into the United States, and
- (iv) Provide satisfactory proof of good moral character and reputation.

(3) An individual failing to file a complete application for registration will not be admitted to the examination and will be notified of the incompleteness. Applications for registration that are incomplete as originally submitted will be considered only when they have been completed and received by OED, provided that this occurs within 60 days of the mailing date of the notice of incompleteness. Thereafter, a new and complete application for registration must be filed. Only an individual approved as satisfying the requirements of paragraph (b)(1)(i) of this section may be admitted to the examination.

(4)(i) A notice of admission shall be sent to those individuals who have been admitted to the registration examination. This notice shall specify a certain period of time in which to schedule and take the examination.

(ii) An individual may request an extension of this period of time by written request to the OED Director. Such request must be received by the OED Director prior to the expiration of the period specified in the notice as extended by any previously granted extension and must include

the fee specified in § 1.21(a)(1)(iv). Upon the granting of the request, the period of time in which the individual may schedule and take the registration examination shall be extended by 90 days.

(iii) An individual who does not take the registration examination within the period of time specified in the notice may not take the examination without filing a new application for registration, as set forth in paragraph (b)(1)(i) of this section.

* * * * *

(d) * * *

* * * * *

(3) *Certain former Office employees who were not serving in the patent examining corps upon their separation from the Office.* The OED Director may waive the taking of a registration examination in the case of a former Office employee meeting the requirements of paragraph (b)(1)(i)(C) of this section who, by petition, demonstrates the necessary legal qualifications to render to patent applicants and others valuable service and assistance in the preparation and prosecution of their applications or other business before the Office by showing that he or she has:

(i) Exhibited comprehensive knowledge of patent law equivalent to that shown by passing the registration examination as a result of having been in a position of responsibility in the Office in which he or she:

(A) Provided substantial guidance on patent examination policy, including the development of rule or procedure changes, patent examination guidelines, changes to the Manual of Patent Examining Procedure, training or testing materials for the patent examining corps, or materials for the registration examination or continuing legal education; or

(B) Represented the Office in patent matters before Federal courts; and

(ii) Was rated at least fully successful in each quality performance element of his or her performance plan for said position for the last two complete rating periods in the Office and was not under an oral or written warning regarding such performance elements at the time of separation from the Office.

* * * * *

(e) *Examination results.* Notification of the examination results is final. Within 60 days of the mailing date of a notice of failure, the individual is entitled to inspect, but not copy, the questions and answers he or she incorrectly answered. Review will be under supervision. No notes may be taken during such review. Substantive review of the answers or questions may not be pursued by petition for regrade.

(f) *Application for reciprocal recognition.* An individual seeking reciprocal recognition under § 11.6(c), in addition to satisfying the provisions of paragraphs (a) and (b) of this section, and the provisions of § 11.8(b), shall pay the application fee required by § 1.21(a)(1)(i) of this chapter upon filing an application for registration.

(g) * * * (1) Every individual seeking recognition shall answer all questions in the application for registration and request(s) for information and evidence issued by OED; disclose all relevant facts, dates, and information; and provide verified copies of documents relevant to his or her good moral character and reputation. An individual who is an attorney shall submit a certified copy of each of his or her State bar applications and determinations of character and reputation, if available.

(2) * * *

* * * * *

(ii) The OED Director, in considering an application for registration by an attorney, may accept a State bar's determination of character and reputation as meeting the requirements set forth in paragraph (a)(2)(i) of this section if, after review, the Office finds no substantial discrepancy between the information provided with his or her application for registration and the State bar application and determination of character and reputation, provided that acceptance is not inconsistent with other rules and the requirements of 35 U.S.C. 2(b)(2)(D).

* * * * *

(l) *Transfer of status from agent to attorney.* An agent registered under § 11.6(b) may request registration as an attorney under § 11.6(a). The agent shall demonstrate his or her good standing as an attorney and pay the fee required by § 1.21(a)(2)(iii) of this chapter.

9. Amend § 11.9 by revising paragraphs (a) and (b) and adding paragraphs (d), (e), and (f), to read as follows:

§ 11.9 Limited recognition in patent matters.

(a) Any individual not registered under § 11.6 may, upon a showing of circumstances that render it necessary or justifiable and that the individual is of good moral character and reputation, be given limited recognition by the OED Director to prosecute as attorney or agent a specified patent application or specified patent applications. Limited recognition under this paragraph shall not extend further than the application or applications specified. Limited recognition shall not be granted to individuals who have passed the examination or to those for whom the examination has been waived while such individual's application for registration to practice before the Office in patent matters is pending.

(b) A nonimmigrant alien residing in the United States and fulfilling the provisions of paragraphs (d) and (e) of this section may be granted limited recognition if the nonimmigrant

alien is authorized by the United States Government to be employed or trained in the United States in the capacity of representing a patent applicant by presenting or prosecuting a patent application. Limited recognition shall be granted for a period consistent with the terms of authorized employment or training. Limited recognition shall not be granted or extended to a non-United States citizen residing abroad. If granted, limited recognition shall automatically expire upon the nonimmigrant alien's departure from the United States.

* * * * *

(d) No individual will be granted limited recognition to practice before the Office under paragraph (b) of this section unless he or she has:

(1) Applied to the USPTO Director in writing by completing an application form supplied by the OED Director and furnishing all requested information and material; and

(2) Established to the satisfaction of the OED Director that he or she:

(i) Possesses good moral character and reputation;

(ii) Possesses the legal, scientific, and technical qualifications necessary for him or her to render applicants valuable service; and

(iii) Is competent to advise and assist patent applicants in the presentation and prosecution of their applications before the Office.

(e)(1) To enable the OED Director to determine whether an individual has the qualifications specified in paragraph (d)(2) of this section, the individual shall:

(i) File a complete application for limited recognition each time admission to the registration examination is requested. A complete application for limited recognition includes:

(A) An application for limited recognition form supplied by the OED Director wherein all requested information and supporting documents are furnished;

(B) Payment of the fees required by § 1.21(a)(1) of this chapter;

(C) Satisfactory proof of scientific and technical qualifications; and

(D) Satisfactory proof that the terms of the individual's immigration status or entry into the United States authorize employment or training in the preparation and prosecution of patents for others; and

(ii) Pass the registration examination. Each individual seeking limited recognition under this section must take and pass the registration examination to enable the OED Director to determine whether the individual possesses the legal and competence qualifications specified in paragraphs (d)(2)(ii) and (d)(2)(iii) of this section.

(2) An individual failing the examination may, upon receipt of notice of failure from OED, reapply for admission to the examination. An individual failing the examination for the first or second time must wait 30 days after the date the individual last took the examination before retaking the examination. An individual failing the examination for the third or fourth time must wait 90 days after the date the individual last took the examination before retaking the examination. An individual may not take the examination more than five times. However, upon petition under § 11.2(c), the OED Director may, at his or her discretion, waive this limitation upon such conditions as the OED Director may prescribe. An individual reapplying shall:

(i) File a complete application for limited recognition form, including all requested information and supporting documents not previously provided to OED;

(ii) Pay the application fee required by § 1.21(a)(1) of this chapter;

(iii) Provide satisfactory proof that the terms of the individual's immigration status or entry into the United States authorize employment or training in the preparation and prosecution of patents for others; and

(iv) Provide satisfactory proof of good moral character and reputation.

(3) An individual failing to file a complete application will not be admitted to the examination and will be notified of such deficiency. Applications for limited recognition that are incomplete will be considered only when the deficiency has been cured, provided that this occurs within 60 days of the mailing date of the notice of deficiency. Thereafter, a new and complete application for limited recognition must be filed. An individual seeking limited recognition under paragraph (b) of this section must satisfy the requirements of paragraph (e)(1)(i) of this section to be admitted to the examination.

(4)(i) A notice of admission shall be sent to those individuals who have been admitted to the registration examination. This notice shall specify a certain period of time in which to schedule and take the examination.

(ii) An individual may request an extension of this period of time by written request to the OED Director. Such request must be received by the OED Director prior to the expiration of the period specified in the notice, as extended by any previously granted extension, and must include the fee specified in § 1.21(a)(1)(iv). Upon the granting of the request, the period of time in which the individual may schedule and take the examination shall be extended by 90 days.

(iii) An individual who does not take the examination within the period of time specified in the notice may not take the examination without filing a new application for limited recognition as set forth in paragraph (e)(1)(i) of this section.

(f) Applications for reinstatement of limited recognition.

(1) A person whose grant of limited recognition expired less than five years before the application for reinstatement may be reinstated provided the person:

(i) Files a complete application that includes:

(A) A request for reinstatement with the fee required by § 1.21(a)(9)(ii); and

(B) Satisfactory proof that the terms of the individual's immigration status or entry into the United States authorize employment or training in the preparation and prosecution of patents for others; and

(ii) Provides satisfactory proof of good moral character and reputation.

(2) Persons whose grant of limited recognition expired five years or more before filing a complete application for reinstatement must comply with paragraph (f)(1) of this section and provide objective evidence that they continue to possess the necessary legal qualifications to render applicants valuable service to patent applicants.

10. Revise § 11.10 to read as follows:

§ 11.10 Restrictions on practice in patent matters; former and current Office employees; government employees.

(a) Only practitioners registered under § 11.6; individuals given limited recognition under § 11.9(a) or (b) or § 11.16; or individuals admitted *pro hac vice* as provided in § 41.5(a) or § 42.10(c) are permitted to represent others before the Office in patent matters.

(b) *Post employment agreement of former Office employee.* No individual who has served in the patent examining corps or elsewhere in the Office may practice before the Office after termination of his or her service, unless he or she signs a written undertaking agreeing:

(1) To not knowingly act as agent or attorney for or otherwise represent or assist in any manner the representation of any other person:

(i) Before the Office,

(ii) In connection with any particular patent or patent application,

(iii) In which said employee participated personally and substantially as an employee of the Office; and

(2) To not knowingly act within two years after terminating employment by the Office as agent or attorney for, or otherwise represent or assist in any manner, the representation of any other person:

- (i) Before the Office,
- (ii) In connection with any particular patent or patent application,
- (iii) If such patent or patent application was pending under the employee's official responsibility as an officer or employee within a period of one year prior to the termination of such responsibility.

11. Amend § 11.11 by:

- a. Revising paragraphs (b)(2), (3), (5), and (6);
- b. Adding paragraph (b)(7);
- c. Revising paragraphs (c)(1) and (2);
- d. Adding paragraph (c)(3);
- e. Revising paragraph (e)(1);
- f. Revising paragraph (f)(2); and
- g. Adding paragraph (g).

The revisions read as follows:

§ 11.11 Administrative suspension, inactivation, resignation, reinstatement, and revocation.

* * * * *

(b) * * *

(2) In the event a practitioner fails to comply with the requirements specified in a notice provided pursuant to paragraph (b)(1) of this section within the time allowed, the OED Director shall publish and send to the practitioner a notice to show cause why the practitioner should not be administratively suspended. Such notice shall be sent in the same manner as set forth in paragraph (b)(1) of this section. The OED Director shall file a copy of the notice to show cause with the USPTO Director.

(3) A practitioner to whom a notice to show cause under this section has been issued shall be allowed 30 days from the date of the notice to show cause to file a response with the USPTO Director. The response should address any factual and legal bases why the practitioner should not be administratively suspended. The practitioner shall serve the OED Director with a copy of the response at the time it is filed with the USPTO Director. Within 10 days of receiving a copy of the response, the OED Director may file a reply with the USPTO Director. A copy of the reply by the OED Director shall be sent to the practitioner at the practitioner's address of record. If the USPTO Director determines that there are no genuine issues of material fact regarding the Office's compliance with the notice requirements under this section or the failure of the practitioner to pay the requisite fees, the USPTO Director shall enter an order administratively suspending the practitioner. Otherwise, the USPTO Director shall enter an appropriate order dismissing the notice to show cause. Any request for reconsideration of the USPTO Director's decision must be filed within 20 days after the date such decision is rendered by the USPTO Director. Nothing herein shall permit an administratively suspended practitioner to seek a stay of the suspension during the pendency of any review of the USPTO Director's final decision. If, prior to the USPTO Director entering an order under this section, the OED Director determines that a practitioner has complied with requirements specified in the notice to show cause, the

OED Director may withdraw the notice to show cause, and the practitioner will not be administratively suspended.

* * * * *

(5) A practitioner is subject to investigation and discipline for his or her conduct prior to, during, or after the period he or she was administratively suspended.

(6) A practitioner is prohibited from practicing before the Office in patent matters while administratively suspended. A practitioner who knows he or she has been administratively suspended is subject to discipline for failing to comply with the provisions of this paragraph and shall comply with the provisions of § 11.116.

(7) An administratively suspended practitioner may request reinstatement by complying with paragraph (f)(1) of this section.

(c) * * * (1) Any registered practitioner who shall become employed by the Office shall comply with § 11.116 for withdrawal from all patent, trademark, and other non-patent matters wherein he or she represents an applicant or other person, and notify the OED Director in writing of said employment on the first day of said employment. The name of any registered practitioner employed by the Office shall be endorsed on the register as administratively inactive. Upon separation from the Office, an administratively inactive practitioner may request reactivation by complying with paragraph (f)(2) of this section.

(2) Any registered practitioner who is a judge of a court of record, full-time court commissioner, U.S. bankruptcy judge, U.S. magistrate judge, or a retired judge who is eligible for temporary judicial assignment and is not engaged in the practice of law may request, in writing, that his or her name be endorsed on the register as administratively inactive. Upon acceptance of the request, the OED Director shall endorse the name of the practitioner as

administratively inactive. Following separation from the bench, the practitioner may request reactivation by complying with paragraph (f)(2) of this section.

(3) An administratively inactive practitioner remains subject to the provisions of the USPTO Rules of Professional Conduct and to proceedings and sanctions under §§ 11.19 through 11.58 for conduct that violates a provision of the USPTO Rules of Professional Conduct prior to or during such administrative inactivity.

* * * * *

(e) * * * (1) A registered practitioner or a practitioner recognized under § 11.14(c) may request to resign by notifying the OED Director in writing of such intent, unless such practitioner is under investigation under § 11.22 for a possible violation of the USPTO Rules of Professional Conduct, is a practitioner against whom probable cause has been found by a panel of the Committee on Discipline under § 11.23(b), or is a respondent in a pending proceeding instituted under § 11.24, § 11.25, or § 11.29. Upon acceptance in writing by the OED Director of such request, that practitioner shall no longer be eligible to practice before the Office in patent matters but shall continue to file a change of address for five years thereafter in order that he or she may be located in the event information regarding the practitioner's conduct comes to the attention of the OED Director or any grievance is made about his or her conduct while he or she engaged in practice before the Office. The name of any practitioner whose resignation is accepted shall be endorsed as resigned, and notice thereof published in the Official Gazette. Upon acceptance of the resignation by the OED Director, the practitioner must comply with the provisions of § 11.116. A practitioner is subject to investigation and discipline for his or her conduct that occurred prior to, during, or after the period of his or her resignation.

* * * * *

(f) * * *

(2) A practitioner who has been administratively inactivated pursuant to paragraph (c) of this section may be reactivated after his or her employment with the Office ceases or his or her employment in a judicial capacity ceases, provided the following is filed with the OED Director: (i) a completed application for reactivation on a form supplied by the OED Director; (ii) a data sheet; (iii) a signed written undertaking required by § 11.10(b); and (iv) the fee set forth in § 1.21(a)(9)(ii) of this chapter. A practitioner is subject to investigation and discipline for his or her conduct before, during, or after the period of his or her inactivation. Administratively inactive practitioners who have been separated from the Office or have ceased to be employed in a judicial capacity for five or more years prior to filing a complete application for reactivation shall be required to provide objective evidence that they continue to possess the necessary legal qualifications to render valuable service to patent applicants.

* * * * *

(g) *Administrative revocation.* (1) The USPTO Director may revoke an individual's registration or limited recognition if:

- (i) the registration or limited recognition was issued through mistake or inadvertence, or
- (ii) the individual's application for registration or limited recognition contains materially false information or omits material information.

(2) Whenever it appears that grounds for administrative revocation exist, the OED Director shall issue to the individual a notice to show cause why the individual's registration or limited recognition should not be revoked.

(i) The notice to show cause shall be served on the individual in the same manner as described in § 11.35.

(ii) The notice to show cause shall state the grounds for the proposed revocation.

(iii) The OED Director shall file a copy of the notice to show cause with the USPTO Director.

(3) Within 30 days after service of the notice to show cause, the individual may file a response to the notice to show cause with the USPTO Director. The response should address any factual or legal bases why the individual's registration or limited recognition should not be revoked. The individual shall serve the OED Director with a copy of the response at the time it is filed with the USPTO Director. Within 10 days of receiving a copy of the response, the OED Director may file a reply with the USPTO Director. A copy of the reply by the OED Director shall be sent to the individual at the individual's address of record.

(4) If the USPTO Director determines that there are no genuine issues of material fact regarding the Office's compliance with the notice requirements under this section or the grounds for the notice to show cause, the USPTO Director shall enter an order revoking the individual's registration or limited recognition. Otherwise, the USPTO Director shall enter an appropriate order dismissing the notice to show cause. An oral hearing will not be granted unless so ordered by the USPTO Director, upon a finding that such hearing is necessary. Any request for reconsideration of the USPTO Director's decision must be filed within 20 days after the date such decision is rendered by the USPTO Director. Nothing herein shall permit an individual to seek a stay of the revocation during the pendency of any review of the USPTO Director's final decision.

12. Amend § 11.18 by revising paragraph (c)(2) to read as follows:

§ 11.18 Signature and certificate for correspondence filed in the Office.

* * * * *

(c) * * *

(2) Referring a practitioner's conduct to the Director of the Office of Enrollment and Discipline for appropriate action;

* * * * *

13. Amend § 11.19 by revising the section heading and paragraphs (a), (b)(1)(ii), and (c), and by adding paragraph (e), to read as follows:

§ 11.19 Disciplinary jurisdiction; grounds for discipline and for transfer to disability inactive status.

(a) *Disciplinary jurisdiction.* All practitioners engaged in practice before the Office; all practitioners administratively suspended under § 11.11; all practitioners registered or recognized to practice before the Office in patent matters; all practitioners resigned, inactivated, or in emeritus status under § 11.11; all practitioners authorized under §§ 41.5(a) or 42.10(c); and all practitioners transferred to disability inactive status or publicly disciplined by a duly constituted authority are subject to the disciplinary jurisdiction of the Office and subject to being transferred to disability inactive status. A non-practitioner is also subject to the disciplinary authority of the Office if the person engages in or offers to engage in practice before the Office without proper authority.

(b) * * *

(1) * * *

(ii) Discipline on ethical or professional misconduct grounds imposed in another jurisdiction or disciplinary disqualification from participating in or appearing before any Federal program or agency;

* * * * *

(c) Petitions to disqualify a practitioner in *ex parte* or *inter partes* matters in the Office are not governed by this subpart and will be handled on a case-by-case basis under such conditions as the USPTO Director deems appropriate.

* * * * *

(e) The OED Director has the discretion to choose any of the independent grounds of discipline under paragraph (b) of this section and to pursue any of the procedures set forth in this subpart in every disciplinary proceeding.

14. Amend § 11.20 by revising paragraphs (a)(4) and (c) to read as follows:

§ 11.20 Disciplinary sanctions; Transfer to disability inactive status.

(a) * * *

(4) *Probation.* Probation may be imposed in lieu of or in addition to any other disciplinary sanction. The conditions of probation shall be stated in the order imposing probation. Violation of any condition of probation shall be cause for imposition of the disciplinary sanction.

Imposition of the disciplinary sanction predicated upon violation of probation shall occur only after a notice to show cause why the disciplinary sanction should not be imposed is resolved adversely to the practitioner.

* * * * *

(c) *Transfer to disability inactive status.* As set forth in § 11.29, the USPTO Director, after notice and opportunity for a hearing, may transfer a practitioner to disability inactive status where grounds exist to believe the practitioner has been transferred to disability inactive status in another jurisdiction, has been judicially declared incompetent, has been judicially ordered to be involuntarily committed after a hearing on the grounds of incompetency or disability, or has been placed by court order under guardianship or conservatorship.

15. Revise § 11.21 to read as follows:

§ 11.21 Warnings.

A warning is neither public nor a disciplinary sanction. The OED Director may conclude an investigation with the issuance of a warning. The warning shall contain a statement of facts and identify the USPTO Rules of Professional Conduct relevant to the facts.

16. Amend § 11.22 by adding paragraph (c) and by revising paragraphs (g) and (h) to read as follows:

§ 11.22 Disciplinary investigations.

* * * * *

(c) *Notice to the OED Director.* Within 30 days of being (1) publicly disciplined as specified in § 11.24; (2) disciplinarily disqualified from participating in or appearing before any Federal program or agency as specified in § 11.24; (3) convicted of a crime in a court of the United States, any State, or a foreign country as specified in § 11.25; or (4) transferred to disability inactive status in another jurisdiction as specified in § 11.29, a practitioner subject to the disciplinary jurisdiction of the Office shall notify the OED Director in writing of the same. Upon receiving such notification, the OED Director shall obtain a certified copy of the record or order regarding such discipline, disqualification, conviction, or transfer. A certified copy of the record or order regarding the discipline, disqualification, conviction, or transfer shall be clear and convincing evidence that the practitioner has been disciplined, disqualified, convicted of a crime, or transferred to disability status by another jurisdiction.

* * * * *

(g) Where the OED Director makes a request under paragraph (f)(2) of this section to a Contact Member of the Committee on Discipline, such Contact Member shall not, with respect

to the practitioner connected to the OED Director's request, participate in the Committee on Discipline panel that renders a probable cause determination under § 11.23(b) concerning such practitioner.

(h) *Disposition of investigation.* Upon the conclusion of an investigation, the OED Director may take appropriate action, including but not limited to:

- (1) Closing the investigation without issuing a warning or taking disciplinary action;
- (2) Issuing a warning to the practitioner;
- (3) Instituting formal charges upon the approval of the Committee on Discipline; or
- (4) Entering into a settlement agreement with the practitioner and submitting the same for approval of the USPTO Director.

* * * * *

17. Amend § 11.24 by revising paragraph (a), the introductory text to paragraph (b), the introductory text to paragraph (d)(1), and paragraph (e) to read as follows:

§ 11.24 Reciprocal discipline.

(a) *Notice to the OED Director.* Within 30 days of being publicly censured, publicly reprimanded, subjected to probation, disbarred or suspended by another jurisdiction, or disciplinarily disqualified from participating in or appearing before any Federal program or agency, a practitioner subject to the disciplinary jurisdiction of the Office shall notify the OED Director in writing of the same. A practitioner is deemed to be disbarred if he or she is disbarred, excluded on consent, or has resigned in lieu of discipline or a disciplinary proceeding. Upon receiving notification from any source or otherwise learning that a practitioner subject to the disciplinary jurisdiction of the Office has been publicly censured, publicly reprimanded, subjected to probation, disbarred, suspended, or disciplinarily disqualified, the OED Director

shall obtain a certified copy of the record or order regarding the public censure, public reprimand, probation, disbarment, suspension, or disciplinary disqualification. A certified copy of the record or order regarding the discipline shall establish a prima facie case by clear and convincing evidence that the practitioner has been publicly censured, publicly reprimanded, subjected to probation, disbarred, suspended, or disciplinarily disqualified by another jurisdiction. In addition to the actions identified in § 11.22(h) and (i), the OED Director may, without Committee on Discipline authorization, file with the USPTO Director a complaint complying with § 11.34 against the practitioner predicated upon the public censure, public reprimand, probation, disbarment, suspension, or disciplinary disqualification. The OED Director may request the USPTO Director to issue a notice and order as set forth in paragraph (b) of this section.

(b) *Notification served on practitioner.* Upon receipt of the complaint and request for notice and order, the USPTO Director shall issue a notice directed to the practitioner in accordance with § 11.35 and to the OED Director containing:

* * * * *

(d) * * *

(1) The USPTO Director shall hear the matter on the documentary record unless the USPTO Director determines that an oral hearing is necessary. The USPTO Director may order the OED Director or the practitioner to supplement the record with further information or argument. After expiration of the period specified in paragraph (b)(3) of this section, the USPTO Director shall consider the record and shall impose the identical public censure, public reprimand, probation, disbarment, suspension, or disciplinary disqualification unless the

practitioner demonstrates by clear and convincing evidence, and the USPTO Director finds there is a genuine issue of material fact that:

* * * * *

(e) *Adjudication in another jurisdiction or Federal agency or program.* In all other respects, a final adjudication, regardless of the evidentiary standard, in another jurisdiction or Federal agency or program that a practitioner, whether or not admitted in that jurisdiction, has committed misconduct shall establish a prima facie case by clear and convincing evidence that the practitioner has engaged in misconduct under § 11.804(h).

* * * * *

18. Amend § 11.25 by:

- a. Revising paragraph (a),
- b. Revising the introductory text of paragraph (b)(2), and
- c. Revising paragraphs (b)(3) and (e)(2).

The revisions read as follows:

§ 11.25 Interim suspension and discipline based upon conviction of committing a serious crime.

(a) *Notice to the OED Director.* Upon being convicted of a crime in a court of the United States, any State, or a foreign country, a practitioner subject to the disciplinary jurisdiction of the Office shall notify the OED Director in writing of the same within 30 days from the date of such conviction. Notwithstanding the preceding sentence, a practitioner is not required to notify the OED Director of a traffic offense that did not involve the use of alcohol or a controlled substance, did not result in a fine in excess of \$300, and did not result in the imposition of any

other punishment. Upon being advised or learning that a practitioner subject to the disciplinary jurisdiction of the Office has been convicted of a crime, the OED Director shall make a preliminary determination whether the crime constitutes a serious crime warranting interim suspension. If the crime is a serious crime, the OED Director may file with the USPTO Director proof of the conviction and request the USPTO Director to issue a notice and order set forth in paragraph (b)(2) of this section. The OED Director may, in addition, without Committee on Discipline authorization, file with the USPTO Director a complaint complying with § 11.34 against the practitioner predicated upon the conviction of a serious crime. If the crime is not a serious crime, the OED Director may process the matter in the same manner as any other information or evidence of a possible violation of any USPTO Rule of Professional Conduct coming to the attention of the OED Director.

(b) * * *

(2) *Notification served on practitioner.* Upon receipt of a certified copy of the court record, docket entry, or judgment demonstrating that the practitioner has been so convicted, together with the complaint, the USPTO Director shall issue a notice directed to the practitioner in accordance with § 11.35, and to the OED Director, containing:

* * * * *

(3) *Hearing and final order on request for interim suspension.* The request for interim suspension shall be heard by the USPTO Director on the documentary record unless the USPTO Director determines that the practitioner's response establishes by clear and convincing evidence a genuine issue of material fact that: the crime did not constitute a serious crime, the practitioner is not the person who committed the crime, or that the conviction was so lacking in notice or opportunity to be heard as to constitute a deprivation of due process. The USPTO Director may

order the OED Director or the practitioner to supplement the record with further information or argument. If the USPTO Director determines that there is no genuine issue of material fact, the USPTO Director shall enter an appropriate final order regarding the OED Director's request for interim suspension regardless of the pendency of any criminal appeal. If the USPTO Director is unable to make such determination because there is a genuine issue of material fact, the USPTO Director shall enter a final order dismissing the request and enter a further order referring the complaint to a hearing officer for a hearing and entry of an initial decision in accordance with the other rules in this part and directing the practitioner to file an answer to the complaint in accordance with § 11.36.

* * * * *

(e) * * *

(2) *Following conviction of a serious crime.* Any practitioner convicted of a serious crime and disciplined in whole or in part in regard to that conviction, may petition for reinstatement under the conditions set forth in § 11.60 no earlier than after completion of service of his or her sentence, or after completion of service under probation or parole, whichever is later.

* * * * *

19. Revise § 11.26 to read as follows:

§11.26 Settlement.

A settlement conference may occur between the OED Director and a practitioner at any time after the initiation of an investigation. Evidence shall not be excludable on the grounds that such evidence was presented or discussed in a settlement conference. However, any offers of compromise and any statements about settlement made during the course of the settlement conference shall not be admissible in a disciplinary proceeding. The OED Director may

recommend to the USPTO Director any settlement terms deemed appropriate, including steps taken to correct or mitigate the matter forming the basis of the action, or to prevent recurrence of the same or similar conduct. A settlement agreement shall be effective only upon entry of a final decision by the USPTO Director.

20. Amend § 11.27 by revising paragraph (b) and by removing and reserving paragraph (c) to read as follows:

§ 11.27 Exclusion on consent.

* * * * *

(b) *Action by the USPTO Director.* Upon receipt of the required affidavit, the OED Director shall file the affidavit and any related papers with the USPTO Director for review and approval. The USPTO Director may order the OED Director or the practitioner to supplement the record with further information or argument. The OED Director may also file comments in response to the affidavit. If the affidavit is approved, the USPTO Director will enter an order excluding the practitioner on consent and providing other appropriate actions. Upon entry of the order, the excluded practitioner shall comply with the requirements set forth in § 11.58.

(c) [Reserved]

* * * * *

21. Amend § 11.28 by revising paragraphs (a)(1), (a)(1)(i)(D) and (E), and (a)(2) to read as follows:

§ 11.28 Incapacitated practitioners in a disciplinary proceeding.

(a) * * *

(1) *Practitioner's motion.* In the course of a disciplinary proceeding under § 11.32, the practitioner may file a motion requesting the hearing officer to enter an order holding such proceeding in abeyance based on the contention that the practitioner is suffering from a disability or addiction that makes it impossible for the practitioner to adequately defend the charges in the disciplinary proceeding.

(i) * * *

(D) Written consent by the practitioner to be transferred to disability inactive status if the motion is granted; and

(E) Written agreement by the practitioner not to practice before the Office in patent, trademark, or other non-patent matters while in disability inactive status.

* * * * *

(2) *Disposition of practitioner's motion.* The hearing officer shall decide the motion and any response thereto. The motion shall be granted upon a showing of good cause to believe the practitioner to be incapacitated as alleged. If the required showing is made, the hearing officer shall enter an order holding the disciplinary proceeding in abeyance. In the case of addiction to drugs or intoxicants, the order may provide that the practitioner will not be returned to active status absent satisfaction of specified conditions. Upon receipt of the order, the OED Director shall transfer the practitioner to disability inactive status, give notice to the practitioner, cause notice to be published, and give notice to appropriate authorities in the Office that the practitioner has been placed in disability inactive status. The practitioner shall comply with the provisions of § 11.58 and shall not engage in practice before the Office in patent, trademark, and other non-patent law until a determination is made of the practitioner's capability to resume practice before the Office in a proceeding under paragraph (c) or (d) of this section. A

practitioner in disability inactive status must obtain permission from the OED Director to engage in paralegal activity permitted under § 11.58(h). Permission will be granted only if the practitioner has complied with all the conditions of § 11.58 applicable to disability inactive status. In the event that permission is granted, the practitioner shall fully comply with the provisions of § 11.58(h).

* * * * *

22. Amend § 11.29 by revising paragraphs (a), (b), (d), (g), and (i) to read as follows:

§ 11.29 Reciprocal transfer or initial transfer to disability inactive status.

(a) Notice to the OED Director. (1) Transfer to disability inactive status in another jurisdiction as grounds for reciprocal transfer by the Office. Within 30 days of being transferred to disability inactive status in another jurisdiction, a practitioner subject to the disciplinary jurisdiction of the Office shall notify the OED Director in writing of the transfer. Upon notification from any source that a practitioner subject to the disciplinary jurisdiction of the Office has been transferred to disability inactive status in another jurisdiction, the OED Director shall obtain a certified copy of the order. If the OED Director finds that transfer to disability inactive status is appropriate, the OED Director shall file with the USPTO Director:

(i) The order;

(ii) A request that the practitioner be transferred to disability inactive status, including the specific grounds therefor; and

(iii) A request that the USPTO Director issue a notice and order as set forth in paragraph (b) of this section.

(2) Involuntary commitment, adjudication of incompetency, or court ordered placement under guardianship or conservatorship as grounds for initial transfer to disability inactive

status. Within 30 days of being judicially declared incompetent, judicially ordered to be involuntarily committed after a hearing on the grounds of incompetency or disability, or placed by court order under guardianship or conservatorship in another jurisdiction, a practitioner subject to the disciplinary jurisdiction of the Office shall notify the OED Director in writing of such judicial action. Upon notification from any source that a practitioner subject to the disciplinary jurisdiction of the Office has been subject to such judicial action, the OED Director shall obtain a certified copy of the order. If the OED Director finds that transfer to disability inactive status is appropriate, the OED Director shall file with the USPTO Director:

- (i) The order;
- (ii) A request that the practitioner be transferred to disability inactive status, including the specific grounds therefor; and
- (iii) A request that the USPTO Director issue a notice and order as set forth in paragraph (b) of this section.

(b) *Notice served on practitioner*. Upon receipt of a certified copy of an order or declaration issued by another jurisdiction demonstrating that a practitioner subject to the disciplinary jurisdiction of the Office has been transferred to disability inactive status, judicially declared incompetent, judicially ordered to be involuntarily committed after a judicial hearing on the grounds of incompetency or disability, or placed by court order under guardianship or conservatorship, together with the OED Director's request, the USPTO Director shall issue a notice, comporting with § 11.35, directed to the practitioner containing:

- (1) A copy of the order or declaration from the other jurisdiction;
- (2) A copy of the OED Director's request; and

(3) An order directing the practitioner to file a response with the USPTO Director and the OED Director, within 40 days from the date of the notice, establishing by clear and convincing evidence a genuine issue of material fact supported by an affidavit and predicated upon the grounds set forth in paragraphs (d)(1)(i) through (d)(1)(iv) of this section that a transfer to disability inactive status would be unwarranted and the reasons therefor.

* * * * *

(d) *Transfer to disability inactive status.* (1) The request for transfer to disability inactive status shall be heard by the USPTO Director on the documentary record unless the USPTO Director determines that there is a genuine issue of material fact, in which case the USPTO Director may deny the request. The USPTO Director may order the OED Director or the practitioner to supplement the record with further information or argument. After expiration of the period specified in paragraph (b)(3) of this section, and after completion of any supplemental hearings, the USPTO Director shall consider any timely filed response and impose the identical transfer to disability inactive status based on the practitioner's transfer to disability status in another jurisdiction or shall transfer the practitioner to disability inactive status based on judicially declared incompetence, judicially ordered involuntary commitment on the grounds of incompetency or disability, or court-ordered placement under guardianship or conservatorship, unless the practitioner demonstrates by clear and convincing evidence, and the USPTO Director finds there is a genuine issue of material fact that:

(i) The procedure was so lacking in notice or opportunity to be heard as to constitute a deprivation of due process;

(ii) There was such infirmity of proof establishing the transfer to disability status, judicial declaration of incompetence, judicial order for involuntary commitment on the grounds of

incompetency or disability, or placement by court order under guardianship or conservatorship that the USPTO Director could not, consistent with Office's duty, accept as final the conclusion on that subject;

(iii) The imposition of the same disability status or transfer to disability status by the USPTO Director would result in grave injustice; or

(iv) The practitioner is not the individual transferred to disability status, judicially declared incompetent, judicially ordered for involuntary commitment on the grounds of incompetency or disability, or placed by court order under guardianship or conservatorship.

(2) If the USPTO Director determines that there is no genuine issue of material fact with regard to any of the elements of paragraphs (d)(1)(i) through (d)(1)(iv) of this section, the USPTO Director shall enter an appropriate final order. If the USPTO Director is unable to make that determination because there is a genuine issue of material fact, the USPTO Director shall enter an appropriate order dismissing the OED Director's request for such reason.

* * * * *

(g) *Order imposing reciprocal transfer to disability inactive status or order imposing initial transfer to disability inactive status.* An order by the USPTO Director imposing reciprocal transfer to disability inactive status or transferring a practitioner to disability inactive status shall be effective immediately and shall be for an indefinite period until further order of the USPTO Director. A copy of the order transferring a practitioner to disability inactive status shall be served upon the practitioner, the practitioner's guardian, and/or the director of the institution to which the practitioner has been committed in the manner the USPTO Director may direct. A practitioner reciprocally transferred or transferred to disability inactive status shall comply with

the provisions of this section and § 11.58 and shall not engage in practice before the Office in patent, trademark, and other non-patent law unless and until reinstated to active status.

* * * * *

(i) *Employment of practitioners on disability inactive status.* A practitioner in disability inactive status must obtain permission from the OED Director to engage in paralegal activity permitted under § 11.58(h). Permission will be granted only if the practitioner has complied with all the conditions of § 11.58 applicable to disability inactive status. In the event that permission is granted, the practitioner shall fully comply with the provisions of § 11.58(h).

* * * * *

23. Amend § 11.34 by revising paragraph (c) to read as follows:

§11.34 Complaint.

* * * * *

(c) The complaint shall be filed in the manner prescribed by the USPTO Director. The term “filed” means the delivery, mailing, or electronic transmission of a document to a hearing officer or designee in connection with a disciplinary complaint or related matter.

* * * * *

24. Revise § 11.35 to read as follows:

§11.35 Service of complaint.

(a) A complaint may be served on a respondent by any of the following methods:

(1) By delivering a copy of the complaint personally to the respondent, in which case the individual who delivers the complaint to the respondent shall file an affidavit with the OED Director indicating the time and place the complaint was delivered to the respondent.

(2) By mailing a copy of the complaint by Priority Mail Express[®], first-class mail, or any delivery service that provides confirmation of delivery or attempted delivery to:

(i) A respondent who is a registered practitioner at the address provided to OED pursuant to § 11.11, or

(ii) A respondent who is not registered at the last address for the respondent known to the OED Director.

(3) By any method mutually agreeable to the OED Director and the respondent.

(4) In the case of a respondent who resides outside the United States, by sending a copy of the complaint by any delivery service that provides the ability to confirm delivery or attempted delivery, to:

(i) A respondent who is a registered practitioner at the address provided to OED pursuant to § 11.11; or

(ii) A respondent who is not registered at the last address for the respondent known to the OED Director.

(b) If a copy of the complaint cannot be delivered to the respondent through any one of the procedures in paragraph (a) of this section, the OED Director shall serve the respondent by causing an appropriate notice to be published in the Official Gazette for two consecutive weeks, in which case the time for filing an answer shall be 30 days from the second publication of the notice. Failure to timely file an answer will constitute an admission of the allegations in the complaint in accordance with § 11.36(d), and the hearing officer may enter an initial decision on default.

(c) If the respondent is known to the OED Director to be represented by an attorney under § 11.40(a), a copy of the complaint may be served on the attorney in lieu of service on the respondent in the manner provided for in paragraph (a) or (b) of this section.

25. Amend § 11.39 by revising the section heading and paragraphs (a), (b), and (f) to read as follows:

§ 11.39 Hearing officer; responsibilities; review of interlocutory orders; stays.

(a) *Designation.* A hearing officer designated by the USPTO Director shall conduct disciplinary proceedings as provided by this part.

(b) *Independence of the hearing officer.* (1) A hearing officer designated in accordance with paragraph (a) of this section shall not be subject to first-level or second-level supervision by either the USPTO Director or OED Director or his or her designee.

(2) A hearing officer designated in accordance with paragraph (a) of this section shall not be subject to supervision of the person(s) investigating or prosecuting the case.

(3) A hearing officer designated in accordance with paragraph (a) of this section shall be impartial, shall not be an individual who has participated in any manner in the decision to initiate the proceedings, and shall not have been employed under the immediate supervision of the practitioner.

(4) A hearing officer designated in accordance with paragraph (a) of this section shall be either an administrative law judge appointed under 5 U.S.C. 3105 or an attorney designated under 35 U.S.C. 32. The hearing officer shall possess suitable experience and training in conducting hearings, reaching a determination, and rendering an initial decision in an equitable manner.

* * * * *

(f) *Stays pending review of interlocutory order.* If the OED Director or a respondent seeks review of an interlocutory order of a hearing officer under paragraph (e)(2) of this section, any time period set by the hearing officer for taking action shall not be stayed unless ordered by the USPTO Director or the hearing officer.

* * * * *

26. Amend § 11.40 by revising paragraph (b) and by adding paragraph (c) to read as follows:

§ 11.40 Representative for OED Director or respondent.

* * * * *

(b) The Deputy General Counsel for Intellectual Property and Solicitor and attorneys in the Office of the Solicitor shall represent the OED Director. The attorneys representing the OED Director in disciplinary proceedings shall not consult with the USPTO Director, the General Counsel, the Deputy General Counsel for General Law, or an individual designated by the USPTO Director to decide disciplinary matters regarding the proceeding.

(c) The General Counsel and the Deputy General Counsel for General Law shall remain screened from the investigation and prosecution of all disciplinary proceedings in order that they shall be available as counsel to the USPTO Director in deciding disciplinary proceedings unless access is appropriate to perform their duties. After a final decision is entered in a disciplinary proceeding, the OED Director and attorneys representing the OED Director shall be available to counsel the USPTO Director, the General Counsel, and the Deputy General Counsel for General Law in any further proceedings.

27. Amend § 11.41 by revising paragraph (a) to read as follows:

§ 11.41 Filing of papers.

(a) The provisions of §§ 1.8 and 2.197 of this chapter do not apply to disciplinary proceedings. All papers filed after the complaint and prior to entry of an initial decision by the hearing officer shall be filed with the hearing officer at an address or place designated by the hearing officer. The term “filed” means the delivery, mailing, or electronic transmission of a document to a hearing officer or designee in connection with a disciplinary complaint or related matter.

* * * * *

28. Revise § 11.43 to read as follows:

§ 11.43 Motions before a hearing officer.

Motions, including all prehearing motions commonly filed under the Federal Rules of Civil Procedure, shall be served on the opposing party and filed with the hearing officer. Each motion shall be accompanied by a written memorandum setting forth a concise statement of the facts and supporting reasons, along with a citation of the authorities upon which the movant relies. Unless extended by the tribunal for good cause, an opposing party shall serve and file a memorandum in response to the motion within 21 days of the date of service of the motion, and the moving party may file a reply memorandum within 14 days after service of the opposing party’s responsive memorandum. All memoranda shall be double-spaced and written in 12-point font unless otherwise ordered by the hearing officer. Every motion must include a statement that the moving party or attorney for the moving party has conferred with the opposing party or attorney for the opposing party in a good-faith effort to resolve the issues raised by the motion and whether the

motion is opposed. If, prior to a decision on the motion, the parties resolve issues raised by a motion presented to the hearing officer, the parties shall promptly notify the hearing officer.

29. Amend § 11.44 by revising paragraphs (a) and (b) to read as follows:

§ 11.44 Hearings.

(a) The hearing officer shall preside over hearings in disciplinary proceedings. After the time for filing an answer has elapsed, the hearing officer shall set the time and place for the hearing. In cases involving an incarcerated respondent, any necessary oral hearing may be held at the location of incarceration. Oral hearings will be stenographically recorded and transcribed, and the testimony of witnesses will be received under oath or affirmation. The hearing officer shall conduct the hearing as if the proceeding were subject to 5 U.S.C. 556. A copy of the transcript of the hearing shall become part of the record. A copy of the transcript shall be provided to the OED Director and the respondent at the expense of the Office.

(b) If the respondent to a disciplinary proceeding fails to appear at the hearing after a notice of hearing has been issued by the hearing officer, the hearing officer may deem the respondent to have waived the opportunity for a hearing and may proceed with the hearing in the absence of the respondent. Where the respondent does not appear, the hearing officer may strike the answer or any other pleading, deem the respondent to have admitted the facts as alleged in the complaint, receive evidence in aggravation or mitigation, enter a default judgment, and/or enter an initial decision imposing discipline on the respondent.

* * * * *

30. Amend § 11.50 by revising paragraph (a) to read as follows:

§ 11.50 Evidence.

(a) *Rules of evidence.* The rules of evidence prevailing in courts of law and equity are not controlling in hearings in disciplinary proceedings. However, the hearing officer shall exclude evidence that is irrelevant, immaterial, speculative, or unduly repetitious.

* * * * *

31. Revise § 11.51 to read as follows:

§ 11.51 Depositions.

(a) Depositions for use at the hearing in lieu of the personal appearance of a witness before the hearing officer may be taken by the respondent or the OED Director (i) by agreement or (ii) upon a showing of good cause and with the approval of, and under such conditions as may be deemed appropriate by, the hearing officer. If a motion to take a deposition is granted, the hearing officer shall authorize a subpoena to be issued pursuant to 35 U.S.C. 24. If the deponent is a USPTO employee, the respondent shall comply with the requirements of part 104 of this chapter.

(b) A party seeking a deposition shall give reasonable notice of not less than 14 days unless a shorter period is agreed upon by the parties or authorized by the hearing officer. The notice shall state the date, time, and place of the deposition.

(c) Depositions may be taken upon oral or written questions before any officer authorized to administer an oath or affirmation in the place where the deposition is to be taken. Deposition expenses shall be borne by the party at whose instance the deposition is taken.

(d) When a deposition is taken upon written questions, copies of the written questions will be served upon the other party with the notice, and copies of any written cross-questions will be

served by hand or Priority Mail Express® not less than five days before the date of the taking of the deposition unless the parties mutually agree otherwise.

(e) Testimony by deposition may be recorded by audiovisual means provided that:

(1) the notice of deposition states that the method of recording is audiovisual, and

(2) a written transcript of the deposition is prepared by a court reporter who was present at the deposition and recorded the testimony.

(f) A party on whose behalf a deposition is taken shall file with the hearing officer a copy of a transcript of the deposition signed by a court reporter and a copy of any audiovisual recording and shall serve one copy of the transcript and any audiovisual recording upon the opposing party.

(g) Depositions may not be taken to obtain discovery, except as provided for in paragraph (h) of this section.

(h) When the OED Director and the respondent agree in writing, a discovery deposition of any witness who will appear voluntarily may be taken under such terms and conditions as may be mutually agreeable to the OED Director and the respondent. The deposition shall not be filed with the hearing officer and may not be admitted into evidence before the hearing officer unless he or she orders the deposition admitted into evidence. The admissibility of the deposition shall lie within the discretion of the hearing officer, who may reject the deposition on any reasonable basis, including the fact that demeanor is involved and that the witness should have been called to appear personally before the hearing officer.

32. Revise § 11.52 to read as follows:

§ 11.52 Written discovery.

(a) After an answer is filed under § 11.36, a party may seek written discovery of only relevant evidence. The party seeking written discovery shall file a motion under § 11.43 explaining in detail, for each request made, how the discovery sought is reasonable and relevant to an issue actually raised in the complaint or the answer. The motion shall include a copy of the proposed written discovery requests. Any response shall include specific objections to each request, if any. Any objection not raised in the response will be deemed to have been waived.

(b) If the hearing officer concludes that the proposed written discovery is reasonable and relevant, the hearing officer, under such conditions as he or she deems appropriate, may order an opposing party, within 30 days, or longer if so ordered by the hearing officer, to:

(1) Answer a reasonable number of requests for admission, including requests for admission as to the genuineness of documents;

(2) Answer a reasonable number of interrogatories;

(3) Produce for inspection and copying a reasonable number of documents; and

(4) Produce for inspection a reasonable number of things other than documents.

(c) Discovery shall not be authorized under paragraph (a) of this section of any matter that:

(1) Will be used by another party solely for impeachment;

(2) Is not available to the party under 35 U.S.C. 122;

(3) Relates to any other disciplinary proceeding before the Office;

(4) Relates to experts;

(5) Is privileged; or

(6) Relates to mental impressions, conclusions, opinions, or legal theories of any attorney or other representative of a party.

(d) The hearing officer may deny discovery requested under paragraph (a) of this section if the discovery sought:

(1) Will unduly delay the disciplinary proceeding;

(2) Will place an undue burden on the party required to produce the discovery sought; or

(3) Consists of information that is available:

(i) Generally to the public,

(ii) Equally to the parties, or

(iii) To the party seeking the discovery through another source.

(e) A request for admission will be deemed admitted if the party to whom the request is directed fails to respond or object to the request within the time allowed.

(f) The hearing officer may require parties to file and serve, prior to any hearing, a pre-hearing statement that contains:

(1) A list (together with a copy) of all proposed exhibits to be used in connection with a party's case-in-chief;

(2) A list of proposed witnesses;

(3) As to each proposed expert witness:

(i) An identification of the field in which the individual will be qualified as an expert,

(ii) A statement as to the subject matter on which the expert is expected to testify,

(iii) A complete statement of all opinions to which the expert is expected to testify and the basis and reasons for them, and

(iv) A description of all facts or data considered by the expert in forming the opinions; and

(4) Copies of memoranda reflecting the respondent's own statements to administrative representatives.

33. Revise § 11.53 to read as follows:

§ 11.53 Proposed findings and conclusions; post-hearing memorandum.

(a) Except in cases in which the respondent has failed to answer the complaint or the amended complaint, or appear at a hearing, the hearing officer, prior to making an initial decision, shall afford the parties a reasonable opportunity to submit proposed findings and conclusions and a post-hearing memorandum in support of the proposed findings and conclusions.

(b) The OED Director shall serve and file a post-hearing memorandum within 30 days after the hearing transcript has been filed with the hearing officer. The respondent shall have 30 days after service of the OED Director's post-hearing memorandum to file a responsive post-hearing memorandum. The OED Director may file a reply memorandum within 21 days after service of any responsive post-hearing memorandum.

(c) The respondent shall serve and file a post-hearing memorandum with respect to any asserted affirmative defenses, or other matters for which the respondent bears the burden of proof, within 30 days after the hearing transcript has been filed with the hearing officer. The OED Director shall have 30 days after service of the respondent's post-hearing memorandum to file a responsive post-hearing memorandum. The respondent may file a reply memorandum within 21 days after service of any responsive post-hearing memorandum.

(d) The OED Director's and the respondent's responsive post-hearing memoranda shall be limited to 50 pages, 12-point font, double-spacing, and one-inch margins, and the reply

memoranda shall be limited to 25 pages, 12-point font, double-spacing, and one-inch margins, unless otherwise ordered by the hearing officer.

(e) The hearing officer may extend the time for filing a post-hearing memorandum and may also increase the page limits, for good cause shown.

34. Revise § 11.54 to read as follows:

§ 11.54 Initial decision of hearing officer.

(a) The hearing officer shall make an initial decision in the case. The decision will include:

(1) A statement of findings of fact and conclusions of law, as well as the reasons or bases for those findings and conclusions with specific references to the record, upon all the material issues of fact, law, or discretion presented on the record; and

(2) An order of default judgment, of suspension or exclusion from practice, of reprimand, of probation, or an order dismissing the complaint. The order also may impose any conditions deemed appropriate under the circumstances.

(b) The initial decision of the hearing officer shall explain the reason for any default judgment, reprimand, suspension, exclusion, or probation and shall explain any conditions imposed with discipline. In determining any sanction, the following four factors shall be considered if they are applicable:

(1) Whether the practitioner has violated a duty owed to a client, the public, the legal system, or the profession;

(2) Whether the practitioner acted intentionally, knowingly, or negligently;

(3) The amount of the actual or potential injury caused by the practitioner's misconduct; and

(4) The existence of any aggravating or mitigating factors.

(c) The hearing officer shall transmit a copy of the initial decision to the OED Director and to the respondent and shall transmit the record of the proceeding to the OED Director within 14 days, or as soon as practicable if thereafter, of the date of the initial decision.

(d) In the absence of an appeal to the USPTO Director, the decision of the hearing officer will, without further proceedings, become the final decision of the USPTO Director 30 days from the date of the decision of the hearing officer.

35. Revise § 11.55 to read as follows:

§ 11.55 Appeal to the USPTO Director.

(a) Within 14 days after the date of the initial decision of the hearing officer under §§ 11.25 or 11.54, either party may appeal to the USPTO Director by filing a notice of appeal. The notice shall be filed with the General Counsel for the USPTO Director at the address set forth in § 1.1(a)(3)(iv) of this chapter and served on the opposing party. If both parties file notices of appeal, the first to file is deemed the appellant for purposes of this rule. If both file on the same day, the respondent is deemed the appellant.

(b) Any notice of cross-appeal shall be filed within 14 days after the date of service of the notice of appeal.

(c) After a notice of appeal is filed, the OED Director shall transmit the entire record to the USPTO Director and provide a copy to the respondent.

(d) The appellant's brief shall be filed within 30 days after the date of service of the record.

(e) Any appellee's brief shall be filed within 30 days after the date of service of the appellant's brief.

(f) The appellant's and appellee's briefs shall comply with the Federal Rules of Appellate Procedure 28(a)(2), (3), (5), (10), and 32(a)(4)-(7) unless otherwise ordered by the USPTO Director.

(g) Any reply brief shall be filed within 14 days after the date of service of the appellee's brief and, unless otherwise ordered by the USPTO Director, shall comply with Rules 28(c) and 32(a)(4)-(7) of the Federal Rules of Appellate Procedure.

(h) If a cross-appeal has been filed, the parties shall comply with Rules 28.1(c), (e), and (f) of the Federal Rules of Appellate Procedure unless otherwise ordered by the USPTO Director.

(i) References to the record in the briefs must be to the pages of the certified record.

(j) An appeal or cross-appeal must include exceptions to the decisions of the hearing officer and supporting reasons for those exceptions. Any exception not raised will be deemed to have been waived and will be disregarded by the USPTO Director in reviewing the initial decision.

(k) The USPTO Director may refuse entry of a nonconforming brief.

(l) The USPTO Director will decide the appeal on the record made before the hearing officer.

(m) Unless the USPTO Director permits, no further briefs or motions shall be filed. The USPTO Director may extend the time for filing a brief upon the granting of a motion accompanied by a supporting affidavit setting forth good cause warranting the extension.

(n) The USPTO Director may order reopening of a disciplinary proceeding in accordance with the principles that govern the granting of new trials. Any request to reopen a disciplinary proceeding on the basis of newly discovered evidence must demonstrate that the newly discovered evidence could not have been discovered any earlier by due diligence.

(o) Motions shall be served on the opposing party and filed with the USPTO Director. Each motion shall be accompanied by a written memorandum setting forth a concise statement of the facts and supporting reasons, along with a citation of the authorities upon which the movant relies. Unless extended by the USPTO Director for good cause, within 21 days of the date of service of the motion, an opposing party shall serve and file a response to the motion, and the moving party may file a reply within 14 days after service of the opposing party's responsive memorandum. All memoranda shall comply with Rules 32(a)(4)-(6) of the Federal Rules of Appellate Procedure unless otherwise ordered by the USPTO Director. Every motion must include a statement that the moving party or attorney for the moving party has conferred with the opposing party or attorney for the opposing party in a good faith effort to resolve the issues raised by the motion and whether the motion is opposed. If, prior to a decision on the motion, the parties resolve issues raised by a motion presented to the USPTO Director, the parties shall promptly notify the USPTO Director.

36. Amend § 11.56 by revising paragraph (c) to read as follows:

§ 11.56 Decision of the USPTO Director.

* * * * *

(c) The respondent or the OED Director may make a single request for reconsideration or modification of the decision by the USPTO Director if filed within 20 days from the date of entry of the decision. The other party may file a response to the request for reconsideration within 14 days of the filing of the request. No request for reconsideration or modification shall be granted unless the request is based on newly discovered evidence or clear error of law or fact, and the requestor must demonstrate that any newly discovered evidence could not have been discovered any earlier by due diligence. Such a request shall have the effect of staying the

effective date of the order of discipline in the final decision. The decision by the USPTO Director is effective on its date of entry.

37. Revise § 11.57 to read as follows:

§ 11.57 Review of final decision of the USPTO Director.

(a) Review of the final decision by the USPTO Director in a disciplinary case may be had by a petition filed in accordance with 35 U.S.C. 32. Any such petition shall be filed within 30 days after the date of the final decision.

(b) The respondent must serve the USPTO Director with the petition. The respondent must serve the petition in accordance with Rule 4 of the Federal Rules of Civil Procedure and § 104.2 of this chapter.

(c) Except as provided for in § 11.56(c), an order for discipline in a final decision will not be stayed except on proof of exceptional circumstances.

38. Revise § 11.58 to read as follows:

§ 11.58 Duties of disciplined practitioner or practitioner in disability inactive status.

(a) *Compliance requirements.* An excluded or suspended practitioner will not be automatically reinstated at the end of his or her period of exclusion or suspension. Unless otherwise ordered by the USPTO Director, an excluded or suspended practitioner must comply with the provisions of this section and § 11.60 to be reinstated. A practitioner transferred to disability inactive status must comply with the provisions of this section and § 11.29 to be reinstated unless otherwise ordered by the USPTO Director. Failure to comply with the provisions of this section may constitute grounds for denying reinstatement and cause for further action.

(b) *Practice prohibitions.* Any excluded or suspended practitioner, or practitioner transferred to disability inactive status, shall:

(1) Not engage in practice before the Office in patent, trademark, or other non-patent matters;

(2) Not advertise or otherwise hold himself or herself out as authorized or able to practice before the Office; and

(3) Take all necessary steps to remove any advertisements or other representations that would reasonably suggest that the practitioner is authorized or able to practice before the Office.

(c) *Thirty-day requirements.* Within 30 days after the date of the order of exclusion, suspension, or transfer to disability inactive status, an excluded or suspended practitioner, or practitioner transferred to disability inactive status, shall:

(1) Withdraw from representation in all matters pending before the Office;

(2) Provide written notice of the order of exclusion, suspension, or transfer to disability inactive status to all State and Federal jurisdictions and administrative agencies to which the practitioner is admitted to practice;

(3) Provide to all clients having immediate or prospective business before the Office in patent, trademark, or other non-patent matters:

(i) Written notice of the order of exclusion, suspension, or transfer to disability inactive status, that calls attention to the practitioner's lack of authority to act as a practitioner after the effective date of the order; specifies any urgent dates for the client's matters; and advises the client to act promptly to seek legal advice elsewhere if the client is not already represented by another practitioner;

(ii) Any papers or other property to which the clients are entitled, or schedule a suitable time and place where the papers and other property may be obtained, and call attention to any urgency for obtaining the papers or other property; and

(iii) Any unearned fees for practice before the Office and any advanced costs not expended;

(4) Provide written notice of the order of exclusion, suspension, or transfer to disability inactive status to all opposing parties in matters pending before the Office and provide in the notice a mailing address for each client of the practitioner who is a party in the pending matter; and

(5) Serve all notices required by paragraphs (c)(2), (c)(3), and (c)(4) of this section by certified mail, return receipt requested, unless the intended recipient is located outside the United States. Where the intended recipient is located outside the United States, all notices shall be sent by a delivery service that provides the ability to confirm delivery or attempted delivery.

(d) *Forty-five-day requirements.* Within 45 days after the date of the order of exclusion, suspension, or transfer to disability inactive status, an excluded or suspended practitioner, or practitioner transferred to disability inactive status, shall file with the OED Director an affidavit of compliance certifying that the practitioner has fully complied with the provisions of the order, this section, and with § 11.116 for withdrawal from representation. Appended to the affidavit of compliance shall be:

(1) A copy of each form of notice; the names and addresses of the clients, practitioners, courts, and agencies to which notices were sent; and all return receipts or returned mail received up to the date of the affidavit. Supplemental affidavits shall be filed covering subsequent return receipts and returned mail. Such names and addresses of clients shall remain confidential unless otherwise ordered by the USPTO Director;

(2) A schedule showing the location, title, and account number of every account in which the practitioner holds, or held as of the entry date of the order, any client, trust, or fiduciary funds for practice before the Office;

(3) A schedule describing, and evidence showing, the practitioner's disposition of all client and fiduciary funds for practice before the Office in the practitioner's possession, custody, or control as of the date of the order or thereafter;

(4) A list of all State, Federal, and administrative jurisdictions to which the practitioner is admitted to practice; and

(5) A description of the steps taken to remove any advertisements or other representations that would reasonably suggest that the practitioner is authorized to practice patent, trademark, or other non-patent law before the Office.

(e) *Requirement to update correspondence address.* An excluded or suspended practitioner, or a practitioner transferred to disability inactive status, shall continue to file a statement in accordance with § 11.11 regarding any change of residence or other address to which communications may thereafter be directed.

(f) *Limited recognition for winding up practice.* Unless otherwise provided by an order of the USPTO Director, an excluded or suspended practitioner, or practitioner transferred to disability inactive status, shall not engage in any practice before the Office. The USPTO Director may grant such a practitioner limited recognition for a period of no more than 30 days to conclude work on behalf of a client on any matters pending before the Office. If such work cannot be concluded, the practitioner shall so advise the client so that the client may make other arrangements.

(g) *Required records.* An excluded or suspended practitioner, or practitioner transferred to disability inactive status, shall retain copies of all notices sent and maintain records of the various steps taken under this section. The practitioner shall provide proof of compliance as a condition precedent to the granting of any petition for reinstatement.

(h) *Aiding another practitioner while suspended or excluded; acting as a paralegal.* An excluded or suspended practitioner, or practitioner in disability inactive status, may act as a paralegal for a supervising practitioner or perform other services for the supervising practitioner that are normally performed by laypersons, provided:

- (1) The practitioner is under the direct supervision of the supervising practitioner;
- (2) The practitioner is a salaried employee of:
 - (i) The supervising practitioner,
 - (ii) The supervising practitioner's law firm, or
 - (iii) A client-employer who employs the supervising practitioner as a salaried employee;
- (3) The supervising practitioner assumes full professional responsibility to any client and the Office for any work performed by the practitioner for the supervising practitioner; and
- (4) The practitioner does not:
 - (i) Communicate directly in writing, orally, or otherwise with a client, or prospective client, of the supervising practitioner in regard to any immediate or prospective business before the Office;
 - (ii) Render any legal advice or any legal services in regard to any immediate or prospective business before the Office; or
 - (iii) Meet in person with, regardless of the presence of the supervising practitioner:

(A) Any Office employee in connection with the prosecution of any patent, trademark, or other matter before the Office;

(B) Any client, or prospective client, of the supervising practitioner, the supervising practitioner's law firm, or the client-employer of the supervising practitioner regarding immediate or prospective business before the Office; or

(C) Any witness or potential witness whom the supervising practitioner, the supervising practitioner's law firm, or the supervising practitioner's client-employer may, or intends to, call as a witness in any proceeding before the Office. The term "witness" includes individuals who will testify orally in a proceeding before, or sign an affidavit or any other document to be filed in, the Office.

(i) *Reinstatement after aiding another practitioner while suspended or excluded.* When an excluded or suspended practitioner, or practitioner transferred to disability inactive status, acts as a paralegal or performs services under paragraph (h) of this section, the practitioner shall not thereafter be reinstated to practice before the Office unless:

(1) The practitioner has filed with the OED Director an affidavit that:

(i) Explains in detail the precise nature of all paralegal or other services performed by the practitioner, and

(ii) Shows by clear and convincing evidence that the practitioner has complied with the provisions of this section and all USPTO Rules of Professional Conduct; and

(2) The supervising practitioner has filed with the OED Director a written statement that:

(i) States that the supervising practitioner has read the affidavit required by paragraph (i)(1) of this section and that the supervising practitioner believes every statement in the affidavit to be true, and

(ii) States that the supervising practitioner believes that the excluded or suspended practitioner, or practitioner transferred to disability inactive status, has complied with paragraph (h) of this section.

39. Revise § 11.60 to read as follows:

§ 11.60 Petition for reinstatement of disciplined practitioner.

(a) *Restrictions on practice.* An excluded or suspended practitioner shall not resume the practice of patent, trademark, or other non-patent matters before the Office until reinstated.

(b) *Petition for reinstatement for excluded or suspended practitioners.* An excluded or suspended practitioner shall be eligible to petition for reinstatement only upon expiration of the period of suspension or exclusion and the practitioner's full compliance with § 11.58. An excluded practitioner shall be eligible to petition for reinstatement no earlier than five years from the effective date of the exclusion.

(c) *Review of reinstatement petition.* An excluded or suspended practitioner shall file a petition for reinstatement accompanied by the fee required by § 1.21(a)(10) of this chapter. The petition for reinstatement shall be filed with the OED Director. A practitioner who has violated any provision of § 11.58 shall not be eligible for reinstatement until a continuous period of the time in compliance with § 11.58 that is equal to the period of suspension or exclusion has elapsed. If the excluded or suspended practitioner is not eligible for reinstatement, or if the OED Director determines that the petition is insufficient or defective on its face, the OED Director may dismiss the petition. Otherwise, the OED Director shall consider the petition for reinstatement. The excluded or suspended practitioner seeking reinstatement shall have the burden of proving, by clear and convincing evidence, that:

(1) The excluded or suspended practitioner has the good moral character and reputation, competency, and learning in law required under § 11.7 for admission;

(2) The resumption of practice before the Office will not be detrimental to the administration of justice or subversive to the public interest; and

(3) The practitioner, if suspended, has complied with the provisions of § 11.58 for the full period of suspension or, if excluded, has complied with the provisions of § 11.58 for at least five continuous years.

(d) *Petitions for reinstatement—Action by the OED Director granting reinstatement.* (1) If the excluded or suspended practitioner is found to have complied with paragraphs (c)(1) through (c)(3) of this section, the OED Director shall enter an order of reinstatement that shall be conditioned on payment of the costs of the disciplinary proceeding to the extent set forth in paragraphs (d)(2) and (d)(3) of this section.

(2) *Payment of costs of disciplinary proceedings.* Prior to reinstatement to practice under this section, the excluded or suspended practitioner shall pay the costs of the disciplinary proceeding. The costs imposed pursuant to this section include all of the following:

(i) The actual expense incurred by the OED Director or the Office for the original and copies of any reporter's transcripts of the disciplinary proceeding and any fee paid for the services of the reporter;

(ii) All expenses paid by the OED Director or the Office that would qualify as taxable costs recoverable in civil proceedings; and

(iii) The charges determined by the OED Director to be "reasonable costs" of investigation, hearing, and review. These amounts shall serve to defray the costs, other than fees for services of attorneys and experts, of the Office of Enrollment and Discipline in the preparation or hearing of

the disciplinary proceeding and costs incurred in the administrative processing of the disciplinary proceeding.

(3) A practitioner may only be granted relief from an order assessing costs under this section, whether in whole or in part or by grant of an extension of time to pay these costs, upon grounds of hardship, special circumstances, or other good cause at the discretion of the OED Director.

(e) *Petitions for reinstatement—Action by the OED Director denying reinstatement.* If the excluded or suspended practitioner is found unfit to resume practice before the Office, the OED Director shall first provide the excluded or suspended practitioner with an opportunity to show cause in writing why the petition should not be denied. If unpersuaded by the showing, the OED Director shall deny the petition. In addition to the reinstatement provisions set forth in this section, the OED Director may require the excluded or suspended practitioner, in meeting the requirements of paragraph (c)(1) of this section, to take and pass the registration examination; attend ethics, substance abuse, or law practice management courses; and/or take and pass the Multistate Professional Responsibility Examination.

(f) *Right to review.* An excluded or suspended practitioner dissatisfied with a final decision of the OED Director regarding his or her reinstatement may seek review by the USPTO Director pursuant to § 11.2(d).

(g) *Resubmission of petitions for reinstatement.* If a petition for reinstatement is denied, no further petition for reinstatement may be filed until the expiration of at least one year following the denial unless the order of denial provides otherwise.

(h) *Reinstatement proceedings open to public.* (1) Proceedings on any petition for reinstatement shall be open to the public. Before reinstating any excluded or suspended

practitioner, the OED Director shall publish a notice that such practitioner seeks reinstatement and shall permit the public a reasonable opportunity to comment or submit evidence regarding such matter.

(2) Up to 90 days prior to the expiration of the period of suspension or exclusion, a practitioner may file a written notice of his or her intent to seek reinstatement with the OED Director and may request that such notice be published. In the absence of such a request, notice of a petition for reinstatement will be published upon receipt of such petition.

40. Revise § 11.106 to read as follows:

§ 11.106 Confidentiality of information.

(a) A practitioner shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation, the disclosure is permitted by paragraph (b) of this section, or the disclosure is required by paragraph (c) of this section.

(b) A practitioner may reveal information relating to the representation of a client to the extent the practitioner reasonably believes necessary:

(1) To prevent reasonably certain death or substantial bodily harm;

(2) To prevent the client from engaging in inequitable conduct before the Office or from committing a crime or fraud that is reasonably certain to result in substantial injury to the financial interests or property of another and in furtherance of which the client has used or is using the practitioner's services;

(3) To prevent, mitigate, or rectify substantial injury to the financial interests or property of another that is reasonably certain to result or has resulted from the client's commission of a

crime, fraud, or inequitable conduct before the Office in furtherance of which the client has used the practitioner's services;

(4) To secure legal advice about the practitioner's compliance with the USPTO Rules of Professional Conduct;

(5) To establish a claim or defense on behalf of the practitioner in a controversy between the practitioner and the client, to establish a defense to a criminal charge or civil claim against the practitioner based upon conduct in which the client was involved, or to respond to allegations in any proceeding concerning the practitioner's representation of the client;

(6) To comply with other law or a court order; or

(7) To detect and resolve conflicts of interest arising from the practitioner's change of employment or from changes in the composition or ownership of a firm, but only if the revealed information would not compromise the practitioner-client privilege or otherwise prejudice the client.

(c) A practitioner shall disclose to the Office information necessary to comply with applicable duty of disclosure provisions.

(d) A practitioner shall make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client.

41. Amend § 11.118 by revising paragraphs (a) and (b) to read as follows:

§ 11.118 Duties to prospective client.

(a) A person who consults with a practitioner about the possibility of forming a client-practitioner relationship with respect to a matter is a prospective client.

(b) Even when no client-practitioner relationship ensues, a practitioner who has learned information from a prospective client shall not use or reveal that information, except as § 11.109 would permit with respect to information of a former client.

* * * * *

42. Revise § 11.702 to read as follows:

§ 11.702 Communications concerning a practitioner's services: specific rules.

(a) A practitioner may communicate information regarding the practitioner's services through any medium.

(b) A practitioner shall not compensate, give, or promise anything of value to a person for recommending the practitioner's services, except that a practitioner may:

(1) Pay the reasonable costs of advertisements or communications permitted by this section;

(2) Pay the usual charges of a legal service plan or a not-for-profit or qualified practitioner referral service;

(3) Pay for a law practice in accordance with § 11.117;

(4) Refer clients to another practitioner or a non-practitioner professional pursuant to an agreement not otherwise prohibited under the USPTO Rules of Professional Conduct that provides for the other person to refer clients or customers to the practitioner, if:

(i) The reciprocal referral agreement is not exclusive, and

(ii) The client is informed of the existence and nature of the agreement; and

(5) Give nominal gifts as an expression of appreciation that are neither intended nor reasonably expected to be a form of compensation for recommending a practitioner's services.

(c) A practitioner shall not state or imply that he or she is certified as a specialist in a particular field of law, unless:

(1) The practitioner has been certified as a specialist by an organization that has been approved by an appropriate authority of a State or that has been accredited by the American Bar Association, and

(2) The name of the certifying organization is clearly identified in the communication.

(d) Any communication made under this section must include the name and contact information of at least one practitioner or law firm responsible for its content.

43. Revise § 11.703 to read as follows:

§ 11.703 Solicitation of clients.

(a) “Solicitation” or “solicit” denotes a communication initiated by or on behalf of a practitioner or law firm that is directed to a specific person the practitioner knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.

(b) A practitioner shall not solicit professional employment by live person-to-person contact when a significant motive for the practitioner’s doing so is the practitioner’s or law firm’s pecuniary gain, unless the contact is with a:

(1) Practitioner;

(2) Person who has a family, close personal, or prior business or professional relationship with the practitioner or law firm; or

(3) Person who routinely uses for business purposes the type of legal services offered by the practitioner.

(c) A practitioner shall not solicit professional employment even when not otherwise prohibited by paragraph (b) of this section, if:

(1) The target of solicitation has made known to the practitioner a desire not to be solicited by the practitioner, or

(2) The solicitation involves coercion, duress, or harassment.

(d) This section does not prohibit communications authorized by law or ordered by a court or other tribunal.

(e) Notwithstanding the prohibitions in this section, a practitioner may participate with a prepaid or group legal service plan operated by an organization not owned or directed by the practitioner that uses live person-to-person contact to enroll members or sell subscriptions for the plan from persons who are not known to need legal services in a particular matter covered by the plan.

44. Amend § 11.704 by revising paragraph (e) to read as follows:

§ 11.704 Communication of fields of practice and specialization.

* * * * *

(e) Individuals granted limited recognition may use the designation “Limited Recognition” but may not hold themselves out as being registered.

45. Amend § 11.804 by revising paragraphs (b) and (h) to read as follows:

§ 11.804 Misconduct.

* * * * *

(b) Commit a criminal act that reflects adversely on the practitioner’s honesty, trustworthiness, or fitness as a practitioner in other respects, or be convicted of a crime that

reflects adversely on the practitioner's honesty, trustworthiness, or fitness as a practitioner in other respects;

* * * * *

(h) Be publicly disciplined on ethical or professional misconduct grounds by any duly constituted authority of:

(1) A State,

(2) The United States, or

(3) A country having disciplinary jurisdiction over the practitioner; or

* * * * *

Dated: May 29, 2020.

Andrei Iancu,

Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

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